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Near East/South Asia Report



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28 AUGUST 1986

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IRAQ

RAMADAN SAYS SYRIAN PIPELINE 'UNIMPORTANT'

London MIDDLE EASTERN ECONOMIC REVIEW in English 5 Jul 86 pp 9-10

[Text] Speculation that agreement to open the trans-Syrian pipeline would be reached with Damascus has been scotched by First Deputy Premier Taha Yassin Ramadan. "The export of oil through Syria does not serve our interests; we are now basing our policies on the assumption that there is no oil pipeline through Syria. The pipeline is no longer important because we are carrying out new pipeline projects in other countries which will meet our needs."

Ramadan also discussed the economy and the effect of the war in an interview with the Kuwait daily Arab Times. The economy, he said, "is affected by two factors: the war, and changes in the international economic situation. Oil forms 90 per cent of our resources, so we do suffer major losses when the price of oil collapses."

Ramadan admitted that during the first two years of the war, "we made no effort to run our country with a war economy."

But the government did launch a programme "to diversify our sources of income by developing the agricultural sector and building factories for both oil and non-oil based industries." Such development projects were "based on the

belief that what we build in the country are the real reserves of Iraq, not the dollars in the bank."

The subsequent economic pressures caused by the cost of the war and the fall in oil export revenue forced the government into economy measures which included convincing foreign firms carrying out 800 projects to defer payments.

"We hoped to balance things out this year, but the fall in oil prices and the value of the dollar has had a similar effect on us as the closure of the Syrian pipeline." The closure took place in April 1982, and cost Baghdad up to \$17 million a day in lost revenues.

"We have taken steps to cut back spending in all areas except on the war," Ramadan said. "Spending on our military programme and arms imports this year is higher than last year because we have to cope with the changing defence strategy."

"Since 1982 we have worked on the assumption that the war will continue," Ramadan said. However, he maintained that "we can still supply the basic requirements of our people and we have a strategic reserve of these supplies."

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KUWAIT

USSR FOREIGN TRADE BANK OFFICIAL TO DISCUSS ECONOMIC TIES

Kuwait AL-RA'Y AL-'AMM in Arabic 16 Jun 86 p 1

[Article: "A Soviet Trade Delegation Will Arrive in Kuwait Soon"]

[Text] The first vice-president of the Foreign Trade Bank in the Soviet Union, Mr [Kirashenko], arrives in Kuwait next Thursday at the head of a trade delegation, in response to an official invitation from the General Investment Authority.

During his visit the first vice-president will discuss trade and economic relations between the bank and Kuwaiti financial institutions as well as follow-up work concerning the economic cooperation agreement signed by Kuwait and the Soviet Union during the middle of November of last year.

An economic delegation headed by the vice-president of the board of the Petrochemicals Manufacturing Corporation, Mr Huwayn al-Jasim, visited Moscow last May.

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KUWAIT

FINANCIAL AID TO ARAB COUNTRIES CURBED

Kuwait AL-RA'Y AL-'AMM in Arabic 14 Jun 86 p 1

[Article by 'Abdallah al-Qaq: "Because of Their Budget Deficits, the Gulf Nations Will Not Commit Themselves to Provide Aid to Their Fellow-Arab Nations"]

[Text] Political sources close to AL-RA'Y AL-'AMM say that the foreign ministers of the GCC nations will not take into consideration any request for aid which might be made by some of the Arab nations, during the Arab foreign ministers' conference which will be held in Morocco next month, for the purpose of financing development projects or meeting the needs of fellow-Arab nations. This is said to be particularly the case during the critical circumstances of the present time when Kuwait is suffering a large financial deficit estimated as being 1.306 billion dinars, in addition to the reduction in petroleum production, the drop in oil prices, and the slump in commercial markets.

These sources indicated that the Gulf nations had already informed the Arab nations that their budgets would not include any aid for their fellow-Arab countries, particularly since the National Council has already refused to provide aid for these countries and for the PLO due to the current financial circumstances which are afflicting the region.

These sources informed AL-RA'Y AL-'AMM that the Gulf nations will continue to provide loans via the Gulf development funds. They said that such loans may be within very narrow limits because Kuwait, in its budget for this year, did not allocate the 30 million dinars which it had set aside for annual allocations. Loan transactions will be made merely on the basis of what the development fund receives in terms of profits from investments and loans which have recently already been provided to certain countries.

Although the Arab development funds were established in order to promote development in the Arab world, these funds now have begun to suffer a tangible deficit because of the drop in income from all sources which the Gulf nations receive. This has caused the Gulf nations to reexamine development projects in terms of how they are to be scheduled, which ones are to be given priority, and efforts to achieve overall coordination among the Gulf nations.

It is expected that officials of the Gulf development funds will meet in the near future in order to discuss these subjects which pertain to the policy of Arab development in light of recent international economic developments.

KUWAIT

WATCHDOG FUNCTION OF NATIONAL COUNCIL CONFIRMED

Kuwait AL-RA'Y AL-'AMM in Arabic 16 Jun 86 p 1

[Article by Ahmad Basha: "The Deputies Are Satisfied With the Constitutional Court's Decision"]

[Text] Parliamentary circles have expressed their satisfaction concerning the decision issued by the Constitutional Court supporting the right of the National Council to form committees to monitor the actions of the government or to authorize one of its members to investigate the actions taken by any government agency. The basis for this is Article 114 of the constitution. Parliamentary sources yesterday told AL-RA'Y AL-'AMM that the next step will be taken after the National Council is officially informed of the text of the Constitutional Court's decision and after there has been consultation between the head of the National Council, Mr Ahmad al-Sa'dun, and the National Council deputy Mr Hamad al-Jaw'an who was entrusted, by means of a decision by the National Council, with the task of reviewing the actions taken by the Central Bank vis-a-vis the al-Manakh crisis and the national banks from 1981 till the present day. It was this decision which impelled the government to appeal to the Constitutional Court to render a ruling concerning this matter, after which time Mr al-Jaw'an was to immediately begin performing the duties of the job assigned to him.

Sources have indicated that the government is responding favorably to the Constitutional Court's decision, and this position was expressed by the minister of finance and economy, Mr Jasim al-Khurafi, during last Saturday's session of the National Council. These sources also expressed their reassurance that Mr al-Jaw'an's mission will be successful now that the court has issued its decision and the government has responded favorably to it. They said that this is considered to be a positive indication of the constructive cooperation which exists between the legislative and executive branches of government and which has the objective of serving the nation and its citizens.

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CSO: 4404/368

KUWAIT

MINISTRY OF PETROLEUM IMPOSES NO REDUCTION IN LABOR FORCE

Kuwait AL-RA'Y AL-'AMM in Arabic 17 Jun 86 p 1

[Article by Ahmad Khilaf: "The Minister of Petroleum Says: 'No Lay Offs in the Petroleum Organization'"]

[Text] The minister of petroleum and industry, Shaykh 'Ali al-Khalifah al-'Adhbi, in a statement which he made to AL-RA'Y AL-'AMM, denied that there are any plans to lay off some of the employees working for the Kuwait Petroleum Organization.

He expressed his doubt that the current oil crisis, due to the drop in oil prices and the increase in supply, has affected, in any way, the level of employment at the Kuwait Petroleum Organization. He added: "There are no plans which might affect the size of the labor force in the Kuwait Petroleum Organization, and this is particularly true since we now are going through a stage of putting into operation new projects such as the ones involving the al-Ahmadi refinery and the Mina' 'Abdallah refinery. Consequently there will be no change in the level of the Kuwait Petroleum Organization's labor force."

In reply to AL-RA'Y AL-'AMM's question concerning the likelihood that the Kuwait Petroleum Organization would be reducing its budget by 15 percent, as the government's ministries are doing, Shaykh al-'Adhbi said: "The Kuwait Petroleum Organization is a commercial organization and is always making an effort to cut down on expenses and costs as much as possible since this is the only way to make profits and since we are operating in a strongly competitive market. Reduction of costs is an ever-continuing process and is something which cannot be limited to the 15 percent required by the government's ministries. Thus we take into consideration the Organization's plans for expansion involving the setting up of projects which represent additional revenues [in the future], but [initially] this involves an increase in costs. They [eventually] result in an increase in income which is greater than the increase in costs. The thing which concerns the minister of finance is net profits rather than the level of the costs as individual items."

The minister of petroleum and industry went on to say: "We are training Kuwaiti personnel, especially in the various petroleum-related technical

fields, both by means of training courses which they take before beginning their employment and by means of courses which they take while they are employed. Large amounts of money are spent on development. We will continue to focus all of our concern on the development of the work accomplished by the Kuwait Petroleum Organization."

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CSO: 4404/368

KUWAIT

FREE TRADE ZONE TO BE SET UP

Kuwait AL-RA'Y AL-'AMM in Arabic 17 Jun 86 p 1

[Article by Farhan al-Waqyan: "A Free Trade Zone in Kuwait, and Export Facilities and Protection for Domestic Products"]

[Text] An authoritative source assured AL-RA'Y AL-'AMM that the government will carry out a project to set up a free trade zone in accordance with a clearly-delineated concept of the guidelines necessary for foreign trade activity and for attempting to open up new marketing outlets for re-exporting activity--and this would help to achieve the objective of making Kuwait an important trade center and go-between area for international commercial transactions. Also, it was said that the government will work toward the achievement of an agreement among the GCC nations to coordinate efforts to subsidize locally-produced exports circulating among the GCC nations and to resist attempts at dumping [goods in the GCC nations] both by means of putting preventive measures into practice and imposing high customs duties on any products from nations or firms concerning which it is proven that they are utilizing unfair competitive practices.

The source added that the government will facilitate the procedures of clearing goods in the ports and customs stations and will encourage financial establishments to finance Kuwaiti exports since this is considered to be a productive activity.

The source went on to say that the government's orientation focuses on the taking of proper measures which would provide greater opportunities for Kuwaiti citizens--especially those who have recently entered the labor market--to effectively pursue their careers, exercise control over some of the traditions of the important commercial activities, and promote the spirit of competition among them.

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CSO: 4404/368

KUWAIT

GOALS OF 5-YEAR INFORMATION PLAN DISCUSSED

Kuwait AL-RA'Y AL-'AMM in Arabic 12 Jul 86 p 3

[Article: "Exposing International Assemblies to the Characteristics of Kuwaiti Society, and Deepening the Spiritual, Moral, and Religious Values"]

The development plan in the information sector includes a plan to develop information and to raise it to the level that will enable it to equip the citizens and residents with knowledge; to strengthen the different means of communication; to inform international society of the characteristics of Kuwaiti society, to gather and revive the folk heritage that connects the country's past with its present; to pay attention to and support the writing, translation, and publishing movement; and to encourage intellectual and literary output.

The general goals for this sector are set forth as follows:

1. Developing information and raising it to the level that will enable it to arm the citizens and residents with knowledge, and to provide them with information and factual news, with attention to the development of the information that will help solve the problems of growth in Kuwait. The plans and the expansion programs are discussed by subject, in a clear simple style that helps citizens understand the path of development, to realize its dimensions, and urges them to participate and to concentrate efforts, energies, and abilities to realize the national goals.
2. The strengthening of the various means of communication, coordination of their efforts to enlighten the citizens and to guide their understanding; the accentuation of the state's efforts and accomplishments for the sake of the country's progress and flowering; and their safety and stability so they will better understand the events that take place in society; and in the world around them; and will be better able to participate positively in realizing the good for themselves, their families, and their society.
3. Informing the international community on the characteristics of Kuwaiti society, its system of rule based on democracy, its consultative system, its belief in the nuclear family, its deeply-rooted cultural features, the scope of progress that it has realized in growth fields, and in building man and society. The most prominent Kuwaiti role is in the fields of regional, Arab, and international cooperation; its assistance to the Arab, Islamic, and the rest of the developing countries; and the support that Kuwait gives to the international organizations.

4. Deepening the spiritual, moral, and religious values; establishing the national customs and traditions, and the deep-rooted conventions with the citizens and residents; treating society's problems with what supports time-honored values and upright behavior; and to correct what has sullied our lives from inner societal phenomena that have affected the behavior and tendencies of some of its members.

5. Rounding up and reviving the folk heritage which relates to the country's past and its present. This heritage has begun to disappear because of the extraordinary changes in the population makeup of the country, and the domination of materialistic elements over citizens' life.

6. Preparing and developing specialized information frameworks and to make them available to media organizations, the Kuwait News Agency, and to cadres capable of extending to the citizens and residents new information and sound, enlightened awareness, motivating them unifying their ranks, and combining efforts to direct them toward morality and creativity.

7. Achieving cultural, intellectual, and artistic awakening, and continuing to support cultural and intellectual establishments and their development, so that they can carry out their positive role in the enrichment of the cultural, intellectual, and artistic life, and in the satisfaction of the citizens' and residents' mental, intellectual, cultural, and artistic needs, and in deepening their perception of national responsibility.

8. Paying attention to and supporting the writing, translation, and publishing activity, and encouraging intellectual, literary, and cultural output through which the country's cultural awakening is accomplished.

9. Upgrading the government and supplying it with modern technical elements and equipment that would enable it to meet the requirements of the government ministries and establishments for publications and to support the country's cultural activity.

10. Supporting the institutes of theatre arts and music and developing their curricula to enable them to carry out training and to polish the skills of the national elements capable of enriching the country's artistic, theatrical, cinematic, and musical activity.

11. Paying attention to nurturing the artistic, theatrical, painting, and music movement in the country, nurturing local capabilities talented in the various artistic fields, and encouraging local artistic production.

12. Developing the national theatre and allowing it to become a positive instrument of folk culture, a true mirror of life in society that expresses its nature and its pure origin, and that addresses its problems and issues and guides the life of citizens, their behavior, and their inclinations toward new horizons of development and progress.

13. Encouraging and promoting folklore troupes at the national and local levels, and extending to them the elements that would enable them to offer audiences colorful varieties of folk art, and improving their artistic quality.

14. Paying attention to the museums, antiquities, and exhibitions that give the visitors, citizens, and residents the opportunity to witness what progress Kuwait has realized in various fields, and to familiarize them with the cultural and Islamic heritage in Kuwaiti society.

15. Working towards realizing the quantitative goals by the end of the plan, in 1989-1990, in order to raise the level of this sector.

Policies and Procedures

1. Developing laws, and taking the necessary steps to fill the gap in the following areas:

A. The official newspaper: Appointing the authority that would be responsible for its publication, production, size, contents, price, subscription rate, and advertising rate.

B. The government press: Defining its duties, specializations, and the procedures according to which government publications are printed or are not allowed to be printed, and controlling the operation of publishing government publications in the press, or in the presses of the ministries and other official establishments.

C. Artistic literary works: Determining the authority that would be responsible for censorship, the literary works that are subject to censorship, the rules that govern the display, publication, circulation or ban of a work, and the authorities that are represented in the censorship, and the type and scope of punishment that would be set against violators in possession of banned publications.

D. Author's rights: Preserving the rights of the author and his protection from any attack against his intellectual output.

E. Archiving literary works: Issuing a law that would require a literary works to be archived in order to preserve the historical, literary, and scientific heritage of the state, to facilitate the task of researchers to study.

F. Radio and Television: Issuing a law that would regulate both radio and television and that would explain whether or not building private and commercial radio and television stations is allowed, or whether these two instruments would remain under the absolute control of the state.

2. Carrying out the necessary organization among the various organizations working in the fields of information, culture, and recreation to guard against duplication, interference, and inconsistency, and to realize integration and unity in fulfilling the needs of citizens and residents.

3. Improving the performance level and quality of the information, cultural, and recreational services, by supplying the artistic elements, human skills, and the necessary equipment.

4. Encouraging national participation in the implementation of and administration of the cultural services programs and projects such as libraries, artistic services such as theatres, and recreational services, such as parks.
5. Increasing radio and television programs in the field of educational information, to inform the citizen of the goals of the various development plans and the role of the citizen in the success of these plans.
6. Supporting and increasing local production in radio and television programs as a method whose aim is to explain the culture and heritage of Kuwait, and Arab Gulf, and the heritage of the Arab and Islamic nation.
7. Developing plans for special radio and television programs to present the accomplishments of the state of Kuwait in all the political, social, and economic achievements.
8. Supporting the country's cultural awakening by sponsoring seminars, conferences, cultural weeks, book and art exhibits; paying attention to culture; encouraging Arab writers to write, translate in pure Arabic in all the scientific, cultural, artistic, and literary fields; increasing support for local writers and artists; and pursuing an Arab and international dialogue in the field of culture.
9. Supporting the local press and increasing the number of magazines, periodicals, and enriching the public libraries with books and educational and cultural materials.
10. Continuing to support and sponsor the artistic movement in theatre, music, and the visual and folk arts; developing studies in specialized institutes in these fields; offering study grants to local artists; increasing methods of publication and information for artistic production; sponsoring artistic exhibitions for the various arts to encourage amateurs among citizens to polish their talents and develop their skills.
11. Supplying the government press with qualified artistic human resources that can deal efficiently with modern technical equipment, and following up censorship of publications and literary works which is in the general interest of the country.
12. Increasing archaeological excavations and increasing the museum's acquisitions, maintaining their assets, and establishing new museums to accompany the cultural awakening through which the country is passing.
13. Supporting efforts exerted to increase tourism and the level of tourist services in the country.
14. Supporting the Organization for Joint Programming of the Arab Gulf Countries by contributing to the production of radio and television programs connected with the environment, history, heritage, documents, and development efforts in the Arab Gulf region.

15. Focusing attention on raising the level of efficiency and improving the performance level of the workforce in the various information agencies, by paying more attention to training and by allowing a greater number of administrative and artistic employees to participate in the training programs that are held locally and abroad.

13013/12781

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KUWAIT

BANK DIRECTOR DISCUSSES HOUSING LOANS

Kuwait AL-RA'Y AL-'AMM in Arabic 14 Jul 86 p 5

[Article by Salim al-Shammari: "Director of Savings and Loan Bank to AL-RA'Y AL-'AMM: We are Undertaking a Complete Survey of the Bank's Projects and the Increase in Its Capital."]

[Text] The director general of the Savings and Loan Bank confirmed to AL-RA'Y AL-'AMM, "The plan is that we carry out a complete survey of all of the projects of the bank, after preparing a detailed study by the government agencies, to provide suitable housing for all Kuwaiti families. The introduction of the automated system will be completed in the immediate future at all other administrations. We also intend to increase the bank's capital." When asked about whether there was a trend to purchase prefabricated houses by citizens, he answered:

"The bank offers citizens loans to purchase prefabricated or new houses. Any citizen who meets the requirements of the General Housing Authority but has not been able to obtain government housing can submit a request to the bank to obtain a loan to buy housing. The bank, will then provide him with the required amounts, provided that the dwelling meets the conditions set out in the regulations. Among these conditions is that the size of the dwelling be no less than 400 meters, that the area of the land be no less than 360 meters, that the dwelling be in a state of nonrepair, and that the citizen provide all the required information. This is the concept of purchasing prefabricated houses.

[Question] When will the merger between the bank and the Housing Authority take place?

[Answer] This idea has been mentioned for years, and the government has laid all the concepts for the merger between the bank and the General Housing Authority. Actually the first step was taken, that is the merger between the ministry and the Authority. But the issue of merging the bank needs time, and a complete study, to ensure that the future of this merger is not hindered by any obstacles later. The decision for that is left to the higher authorities.

[Question] It is said that the bank's capital will increase. What is your opinion?

[Answer] We don't rule out an increase in the bank's capital, especially if the governmental support goes toward supplying suitable housing for the citizens. This support is the basic element in the increase of the bank's capital.

Regarding the opening of other branches in some of the governates, the director said, "The al-Ruqqah branch will soon open, and when this happens, the present number of branches will be enough for the population in all the governates. But if the matter requires the opening of other branches, the bank will not hesitate. However, these matters always need patience, so we completely avoid negative repercussions."

[Question] Has the marriage loan increased from 2,000 to 3,000 dinars?

[Answer] The marriage loan remains as it was, and this increase needs a complete study by management as to whether it contributes to the general welfare, and whether it agrees with the bank's operating policy. I believe that an increase in the social loan is not in the interest of the citizen.

[Question] Is there a study to introduce microfilm and the computer in the other bank branches?

[Answer] This study is ongoing, especially that which relates to introducing the automated system with screens, so the work of employees and citizens is facilitated so that other managements can give greater benefits according to the nature of the work, and according to the interests of the bank. Likewise we are working to tie all other managements with the general management so we would have rapid and accurate information about all the citizens that do business with the bank.

[Question] What are the most important developments that the bank has experienced recently?

[Answer] We aim to give better service to all the citizens and to solve all the problems that stifle the work. There is a study to learn all of the problems affecting the daily work flow, and to provide the qualified cadre that suits the nature of this work. There are comprehensive ideas in the labor plan, with which the bank must comply, as best as possible, especially since the bank offers services to the citizens in two principal areas - the first, the real estate angle, and the second, the social angle. The latter requires accuracy and follow-up work. We also intend to carry out a comprehensive survey of all the bank's projects, investments, savings, and social loans. Special bank committees have conducted studies on the positive effects of these issues on citizens and the state.

The director also pointed out the general policy of the bank that aims to support the bank with technical cadres, to develop the employee structure and to adopt state of the art modern equipment. The bank receives general guidelines from the state's high authorities concerning the five year plan. These guidelines are in keeping with the General Housing Authority, are carried out according to specific regulations, and aim to provide the citizens with suitable housing. "We are carrying out the recommendations

of His Highness the Crown Prince, that confirmed the necessity to provide private housing to every Kuwaiti family." Al-Huti denied that there are profits from the social and real estate loans, and expressed the wish that all citizens who do business with the bank cooperate with management in order to carry out the procedures as quickly as possible, and that they submit all requested papers so that the bank can carry out its duty as best as possible.

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KUWAIT

CONFERENCE TO EXAMINE ARAB FOOD INDUSTRIES

Kuwait AL-RA'Y AL-'AMM in Arabic 16 Jul 86 p 2

[Article: "Kuwait will Host the First Conference for the Development of Food Industries"]

The Kuwait Institute for Scientific Research is organizing the first conference on the development of food industries in the Arab world, in cooperation with the Kuwaiti Establishment for Scientific Development, the Union of Kuwaiti Food Merchants and Manufacturers, and the Arab Union for Food Industries.

The conference, to be held from 13 - 16 October, has as its goals the study and survey of Arab achievements in the field of technology transfer and development of food industries in the Arab world, the exchange of ideas and expertise among Arab scientists and international specialists in the fields of food industry, and the laying down of guidelines for an Arab plan to define the future directions and the bases for choosing special technology in the food industries in general, and in the Gulf Cooperation Council countries in particular.

The conference program includes the presentation of 38 studies about the industries related to the types of foodstuffs prevalent in the Arab world, concentrating on those that concern Kuwait and other Arab Gulf countries. The subjects that the studies will deal with will include: fish and livestock, grain, dates, carbonated beverages and mineral waters, dairy products, oils, fats, meats, canning, packaging, and fodders. The studies will also cover other adjunct aspects of food industries, such as the recent trend to produce food through traditional methods, strategic food storage methods, and standards for quality control for processed and imported foodstuffs.

Participating in the conference are a large number of specialists in foodstuff production and marketing at the local, regional and Arab levels, in addition to representatives from a number of Arab and international organizations and some officials from the major food producing countries such as Turkey, Australia, and New Zealand.

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LEBANON

DRUZE PREMIER SHAYKH INTERVIEWED ON SECURITY PLAN

Beirut MONDAY MORNING in English 14-20 Jul 86 pp 16-18

[Interview with Druze Spiritual Leader Sheikh Mohammad Abu Shakra by Nadim Abou Ghannam]

[Text]

How would you rate the success of the new West Beirut security plan, and do you think it will eventually cover the Shouf mountains ?

There was no alternative to this move if we were to stabilize the abnormal situation in (West) Beirut. The move was agreed at the Islamic conference in Damascus, and it seems to be quite successful, until now.

But do you think the plan will spread to cover the Shouf, Sidon or any other Lebanese region ?

We did not discuss this at the Damascus meeting.

Do you think that some factions that may have been frustrated by the plan will try to torpedo it ?

There certainly are numerous factions who will be frustrated by the plan, since their personal interests were better served by lawlessness. Some external factions may also prefer, and encourage, a return to lawlessness in order to secure their own interests.

What do you think is the goal behind the military meetings held in Yarze ?

«They» say these are «coordination meetings». If that is the case, and if the participants are genuinely concerned with security and putting an end to fighting and transgressions, the meetings may be of help. Otherwise they will be fruitless.

Do you think the meetings will issue a decision to counter and

break the political deadlock ?

Attempts may be made by some, but I do not rely on these meetings to break the deadlock.

Do you think the nationwide protests by the Lebanese workforce could break the political deadlock, and do you expect any attempt by some politicians or officials to break the cohesion of the workers out of a fear for their posts ?

The economic situation had reached such a state of deterioration that a nationwide protest became not only plausible but necessary, and I hope the voice of the people will reach the rulers, lest they realize the ill fate that threatens the people if the situation is not reversed.

How can a solution be reached when not only is the government not meeting, but the prime minister is also demanding a collective resignation of the president and government ?

The bankruptcy of the regime is what prompted Karami to make such a call, so that he would not be accused of accepting the sad reality. This issue was also discussed in our meeting in Damascus. There is so much confusion, so much exploitation and lack of responsibility going around, and the president, who has been described by (former) President Suleiman Franjleh as «the sick of head of state» is still exploiting the situation as if he were not responsible for the people.

However, it seems that the description still holds, and that things will remain as they are. I am not optimistic, I do not expect the future to bring positive changes unless something unexpected happens

Do you support Karami's call for a collective resignation ?

I do, since the aim is to get rid of this evil head. No reform can be achieved as long as this man is in power. No reform can be achieved by an incompetent group. Karami realized that the government is incapacitated by the presence of this man. Therefore he suggested the resignation of the government and those responsible, in order to get rid of the man who still holds on to the power without a right to do so.

You say you are pessimistic. But both President Gemayel and Premier Karami have stated that the solution is near...

With good intentions, the solution may not be impossible. However, statements must be translated into acts. The solution is not impossible if the intentions of the officials change, meaning if the president of the republic becomes aware of his human and national duties, of his duties as a ruler. Why did this man stay on when he knows that the continuation of his term is at the source of the misery of the people ?

Do you expect the economic situation to improve ?

There are no easy or available means to tackle this situation, since the reasons behind the economic collapse are many. First, the revenues of the treasury are almost nil ; secondly the money of the state is being squandered in an erroneous and egotistic manner to strengthen one faction in order to achieve an old dream that still prevails in the minds of the those people who are harming the country and conspiring against it. I do not think there is an easy way of tackling this crisis, for which the president himself is the main responsible party.

So you do not think the economic situation will improve ?

If anything is done, it will be temporary, at best.

Mufti Hassan Khaled said he would be convening meetings grouping all Islamic sects. Would you participate in such meetings ?

This issue has been raised, especially as previous Islamic meetings were restricted to the Sunnites, without the participation of the Druze or Shiite. Therefore it was suggested that a larger meeting be convened between the three Moslem sects in order to strengthen the Moslem position.

And would you participate in such a meeting ?

Yes, we have no objection to that if we think it will lead to positive results.

Shelkh Abdelamir Kabalan said the conflict in West Beirut was not one between Sunnites and

Some external factions may prefer and encourage a return to lawlessness in order to achieve their goals

Shiites, but between Security Council Resolution 425 and the abolition of the Cairo Agreement. What is your opinion ?

I believe that if the various factions agree and restrict their demands to Resolution 425 and the abolition of the Cairo Agreement (providing for an armed Palestinian presence in Lebanon), things would be much easier. However, if we differ on trivial matters, on matters that serve the interest of no faction, we would really be missing our goal.

We must achieve a united viewpoint and demand certain specific and limited things if we are to succeed.

Resolution 425 provides for an Israeli withdrawal from Lebanon, and I think that on this we all agree. As to the abolition of the Cairo Agreement, I

personally say that the Palestinian brothers have taken refuge in Lebanon and other Arab countries such as Jordan and Syria. These people have a cause, the Palestinian cause, and they have a right to live somewhere. We all supported their cause, but they made some known transgressions and violations which we hoped would not have happened. These practices provoked a negative reaction and attempts to oust them.

If they grow convinced that they are an oppressed people and demand the help of neighboring countries such as Lebanon, Jordan and Syria, there is no doubt that we will all support their cause.

I am against all transgressions of all sorts. They do have rights but they are not in Lebanon to undertake practices that harm them and the others. Therefore, if they know their limits and call upon the support of the Arab world, I think things will be much better.

Sayyed Mohammad Hussein Fadlallah said the security situation in Lebanon reflects all political conflicts in the Middle East. Do you agree?

This is a delicate issue, and Sheikh Fadlallah may be right in what he said.

Experience has proved this.

So you do agree with him?

I neither agree nor disagree, however, experience has shown that things are not stable, and the recurrence of any event may bring about a return to the previous situation.

In other words, all solutions are temporary and local?

Yes, they are all temporary. The issue is related to external and internal factors. Unless essential matters are settled, the situation cannot be redressed.

Some government officials are angered by the entrance of Syrian troops to support the Lebanese Army in its security mission in West Beirut. What is your opinion about this move?

This was the demand of the Beirutis in the first place, since they were greatly disturbed by the situation surrounding them. They could see no way out of the lawlessness except with the support of the Syrian forces. This request was formulated by both Lebanon and Syria. The Syrian forces today are preventing evil practices here upon the demand of the Lebanese, and this is a very natural thing. ●

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CSO: 4400/243

LEBANON

FORMER MINISTER HAMADE CRITICIZES PRESIDENT

Beirut MONDAY MORNING in English 7-13 Jul 86 pp 22-23

[Interview with Former Minister Marwan Hamade by a MONDAY MORNING staff writer]

[Text] Minister Nabih Berri expressed concern at the extent to which the recent security plan for West Beirut is being implemented. In view of this, how do you evaluate the new security plan, and what are the guarantees for its success?

The new security plan for Beirut is only a week old, yet we can say that within the past seven days, a very large degree of success has been achieved. Most of the military bureaus of the various parties have closed, armed appearance within the city have been reduced to almost zero, the general security situation — thefts, holdups, kidnappings — has greatly improved. Freedom of movement, security at night, commercial activity, all these have proved to be improving in the past seven days.

Of course, no security plan is successful if its implementation is not pursued daily, fully reinforced and daily controlled, and this is what should be done. There probably are a few (party) offices left here and there, but with the scrutiny of the security force, the help of the Syrian observers, and the determination of Ministers Berri and Jumblatt, we are not only hopeful, but indeed certain that the actual security plan is going to be a success. If it is still coming under attack by various parties, especially in the eastern sector, it is because these parties have understood the effects such a success will have on the general political situation, and how important is a secure platform for the future of our cause.

The success of the security plan in (West) Beirut, the restoration of harmony between the various national and Islamic factions is already a semi-victory over the fascist regime of (President) Amin Gemayel, and we are all going to exert whatever efforts are needed to keep this plan a success.

Reports say not all militia offices in West Beirut have been closed, in defiance of the Damascus agreement. What is the truth of these reports?

Most of the obvious offices have closed. There probably are some clandestine offices left here and there, but efforts will continue daily to locate, inquire about and close these offices, whoever they may belong to.

When will the Lebanese Army and Internal Security Forces deploy on the demarcation lines?

The Lebanese Army, and more particularly the Sixth Brigade, is already deployed along the ceasefire lines. For many months now, elements of the 6th Brigade have been protecting West Beirut from an escalation of military activity from the eastern sector. What has been planned is better coordination between the elements of the national units of the Lebanese Army and the various national forces on the demarcation lines, in order to prevent any chaotic deployment along these lines from hindering security within Beirut, but also to improve the situation of the crossings between the two sectors of the capital. In the light of the latest results, we can say the

progress achieved is satisfactory.

Some analysts look at the security plan as a truce to strengthen the positions of various local militias. What is your comment?

The current security plan is not a truce between factions on the West Beirut political scene. It is a sort of reaffirmation of the alliance between these different factions, an alliance that has been shaken many a time by conflicting interests or differing points of view.

I think the present security plan will prove a valid platform for a new political move aimed at salvaging the country from the desperate situation it is now in. This security plan is however just one step forward politically, before we all direct our political efforts at breaking the actual deadlocked situation, starting with the resignation of the president of the republic. The question is no longer one of disaccord over a text, such as the tripartite accord for example. The matter is one of a very, very profound conviction within the largest circles of the Lebanese population, that one-party rule in Lebanon i.e. the Phalangist domination has destroyed the country and that an end should be put to it.

Therefore, I think that, with the results obtained in Beirut on the security level, we can now shift the efforts of every Lebanese, and especially of those Lebanese who are fed up with the chaos, with the economic strains and with the social situation, towards radical changes in the government in Lebanon. The first general strike that has taken place this week (Thursday, July 3) is one step in this direction.

Syrian Intelligence chief Brig. Ghazi Kanaan said that should the West Beirut security plan fail, Syria might have recourse to other means of imposing law and order. Does this imply a direct Syrian

The Palestinians have suffered enough, and

Arafat should not put their lives at risk just to reaffirm his authority

military intervention in West Beirut?

Only the Syrian command is able to answer this question. But we can say that the drastic efforts deployed by Brig. Kanaan with every party, on every level and at every moment of the implementation of the plan very clearly translate the determination of the Syrian command to restore law and order in Beirut. We have been following up the security plan with Brig. Kanaan, and we can say that whatever he has stated must be taken seriously and the best illustration of this is the way the units of both the Army and the ISF have been implementing the plan. There is higher morale, more determination and a general feeling of strong political support for their mission, and this is due to the presence of Brig. Kanaan and to his statements.

Minister Jumblatt has repeatedly stated in recent speeches that the war is far from over. What is your comment?

It is obvious that the war is not over, and Minister Walid Jumblatt is not the only one to state this. It is obvious that, when Prime Minister Rashid Karami says there should be a collective resignation of the president and government, he means that political war is not over. Walid Jumblatt is conscious of the fact that Amin Gemayel has tried all kinds of wars against the national forces aiming at progress and reform in the country, and

The labor strike will bring about the early change of the presidency as a first step towards peace and reforms

it is in view of his past experience with President Gemayel — all the broken commitments, the unimplemented texts, the unfulfilled promises — all this has convinced him (Jumblatt) that this country cannot return back to normal with such a style of government and such a president.

Of course the war is not over yet. The

There is a very deep conviction among most Lebanese that the Phalangist domination must be put to an end

war will be over when the current mafia is ousted, this mafia which came to power in the wake of the Israeli invasion and which has been systematically destroying the country and robbing it of its resources.

However, one sort of war is over now, the sectarian «little wars», between national factions; little wars which were provoked and nurtured by elements of the Second Bureau, the Palestinian contradictions and a lot of Israeli interference.

How do you evaluate President Gemayel's recent Arab tour? Will it help in finding a solution to the Lebanese problem?

No, this is all escapism. Amin Gemayel is evading the real problems of the country by embarking on fruitless visits to countries that have no influence whatsoever on the Lebanese situation. With all our respect to these brotherly countries, it is not in Mascot, Qatar or Abu Dhabi that Amin Gemayel will solve the problem of Lebanon and the Lebanese.

War is still raging in more than one area of Lebanon, the South is still occupied, the people are hungry, the institutions are paralyzed, and when one man leads his country to such a dreadful situation, he should at least have the decency to draw his own conclusions and leave.

The camp war has obvious regional dimensions, yet all attempts at solving it are made on the local level. Do you think a local settlement alone is sufficient?

A local settlement should be enough to disconnect the camp situation in Lebanon from the ongoing fight over the command of the Palestine Liberation Organization (PLO). We think that (PLO chief Yasser) Arafat, after so many political failures, should at least spare the Palestinians of Lebanon who have suffered a lot from Israeli and Phalangist aggressions. Arafat should keep them aside from internal rifts and not put their lives at risk just to reaffirm his elsewhere crumbling authority, or to mark a point against such or such an Arab regime.

One sort of war is over now, the sectarian «little wars», provoked by the Second Bureau, the Palestinian contradictions and Israeli interference

The Palestinians of Lebanon deserve security, respect and support for their cause from every Lebanese, and I do not think the Arafatist policy is in any way eager to secure this to them.

The Labor Federation has called for a nationwide strike Thursday, to be followed later by sit-ins and demonstrations throughout the country. Do you think such moves will prompt the government to deal with the prevailing economic conditions? What, in your opinion, are the best means to settle this issue?

The best means to settle this issue are the resignation of the president, the establishment of a provisional government, the organization of new presidential elections that would bring to the presidency a non-party candidate, a man whose only commitment would be to Lebanon and the reforming of its society towards progress. The strike that has taken

place is one step in this direction, it underlines the fact that the general exacerbation with this presidency and this type of government has finally overcome the barriers between communities in Lebanon, and that the labor force in this country is joining the fight for change.

I think the dynamism created by this strike will develop on more than one level, and will necessarily come to one result, the early change of the presidency as a first step towards peace and reforms.

**Whatever Brigadier
Kanaan has said must
be taken seriously**

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LEBANON

CURRENCY SLIDE QUALIFIES BALANCE SHEET GROWTH

London MIDDLE EASTERN ECONOMIC REVIEW in English 5 Jul 86 p 19

[Text] The seemingly impressive growth of the consolidated balance sheet of Beirut's commercial banks in 1984-85 has to be qualified by the fact that the Lebanese pound lost about 50 per cent of its value during the year. Since the end of 1985, the local currency's value has fallen by a further 50 per cent, to about \$1 = £Leb 38. The 59 per cent increase in private-sector deposits in 1984-85 can be ascribed to the fact that an estimated 70 per cent of these deposits are held in foreign currency.

The 33 per cent rise in loans to the private sector is attributed to inflationary pressure and the increasing budget deficit, rather than to any surge in economic activity. Loans to non-residents and non-resident banks increased because these loans were denominated almost entirely in foreign currency.

The 88 per cent rise in treasury bills was a reflection of the government's increasing reliance on these bills to finance the budget deficit.

Lebanon: consolidated balance sheet of commercial banks, 1984-85
(£Leb million)

	1985	1984	% change
Total assets/liabilities	161,944	100,035	+62
Loans to private sector	57,707	43,268	+33
Treasury bills	27,389	14,610	+88
Loans to non-resident banks	40,691	23,288	+73
Private sector deposits	108,800	67,581	+59
Liabilities to non-resident banks	9,777	7,332	+33

Exchange rates: \$1 = £Leb 18.10 (31 December 1985); \$1 = £Leb 8.80 (31 December 1984)

Source: Banque du Liban, Beirut

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SYRIA

AL-BA'TH EDITORIALS CHRONICLE SUPPLY-DEMAND PROBLEMS

Doctors Refuse Rural Service

Damascus AL-BA'TH in Arabic 17 Jun 86 p 4

[Editorial by Michel Khayyat]

[Text] The Ministry of Health has announced, in the context of answering the questions of a People's Assembly member, that the reason for the insufficiency of doctors in some health centers in Dayr al-Zawr is lack of requests to work in such professions and the general aversion of doctors to working in the rural health centers. There is now no system which requires doctors to do work in the national service.

The meaning of this is perfectly clear, but at the same time serious, frightful and significant. It is that some of the health centers will remain without doctors!

Of course this is nothing new, and here is the reason for our perplexity. We and everyone else know that all the world's riches will not bring back a person's life, for a person is very valuable and precious. If we are able to save him, we should not be prevented from doing so by the lack of a doctor who can be trained in 6 years or of a doctor's aide whom we are able to prepare in 2 years.

It is odd today because we graduate a thousand doctors every year. When we hear that a doctor is present but does not wish to work in the countryside, we must realize that the presence of that doctor in the countryside is necessary and will not brook delay or disregard, no matter what the difficulty.

Water Shortage at Crisis Stage

Damascus AL-BA'TH in Arabic 30 Jun 86 p 4

[Editorial by 'Ali 'Abbud]

[Text] After rationing electricity consumption, the Al-Fijah Public Water Board has begun to announce over the information media that it will be compelled to cut off water to the city of Damascus from 9:00 P.M. to 5:00 A.M.

the following day until water is available in the reservoir during the next rainy season!

It may appear that the period of the cutoff is slack for many but the phone calls that have poured in to us say that the water is cut off to several quarters of the city during the day, not at night!

We cannot deduce from the board's announcements--which have begun to look like black humor--that we are at the gates of a stifling water crisis. However, if we do not continue to threaten, we won't get any except in drops. It is possible for us all to ask ourselves who is squandering the water.

The board's announcement says that the drinking water crisis is connected with a sharply lower water level in the Al-Fijah reservoir due to the rains not coming to Damascus this year. However, we do not think that a low water level in the reservoir is the main reason for the insufficiency of drinking water for the city's population, especially since it has been cut off repeatedly year after year as we faced similar droughts in 1973, 1981 and 1984. We have not faced such a stifling crisis, to such an extent. This means that the crisis has other reasons. What are they? The increase in the population of Damascus has been tremendous, and if this increase continues with the irrational expansion of population in the city's suburbs, even plentiful rains in coming years will not suffice for the needs of the populace. This leads to the logical result that says that we cannot possibly remain submissive to natural factors in the water issue, especially since scientists affirm that our country will face dry years from time to time. For this reason we must look for more scientific alternatives in water management and utilization. Among these alternatives must be that the Al-Fijah water suffices for drinking purposes no matter whether or not the rainy seasons are sparse.

Many countries have more water resources than we, but even so they conserve this national wealth for their coming generations and keep it from being squandered--while we use fresh, pure, sterilized water to wash bicycles and cars, to rinse off the streets and perhaps even to water orchards and gardens and to change the water in swimming pools. In fact we constantly see how water is wasted in the public streets for several months by drawing it out of underground storage to make cement.

The scientific solution, even if we cannot say the ideal one, is to lay lines especially for drinking water and lines for other purposes and uses. Shall we begin from now on to think about studying the potential application of such solutions which will help in the water cutoff?

Crop Marketing System Failure

Damascus AL-BA'TH in Arabic 2 Jul 86 p 4

[Editorial by Salma Kamil]

[Text] It is not the first time that we have faced a crisis in the flow of agricultural goods. It is unfortunate that we are calling an abundance of production a crisis but this is what is happening to us with several kinds of

fruits and vegetables which are facing ruin--and the farmers are suffering their loss--because the concerned agencies are incapable of marketing them.

This is what happened to the potato crop in this spring's crop when the production was excellent but we failed to find channels to market it, whether domestically or abroad, finally forcing our farmers to take the loss and our economy to waste it.

Those coming from the production areas speak sadly of this problem which faces our farmers as they are forced to sell a kilogram of potatoes for 30 to 50 piasters at a time when the Public Fruit and Vegetables Company is marketing the excellent class of potatoes for 75 piasters and concurrently is failing to market all of those produced.

What makes the problem a crisis is that the spring crop's production is not storable for the long term, i.e.: it must be marketed and consumed quickly or the excess will be ruined and lost.

What steps have the concerned agencies taken so far on this subject?

The minister of agriculture told the Popular Assembly: The spring potato season was excellent but marketing and distribution were perhaps thwarted by several obstacles. The Ministry is serious about marketing and distributing this crop.

The minister of supply affirmed that the government is exerting efforts to market and distribute the potatoes, and especially those produced in the spring crop.

Here we might note that all of the agencies are serious about marketing the potato crop and are exerting efforts to do so--but when, and can the crop wait until we look for markets, make up contracts and organize the distribution? Should we always wait for excesses or shortfalls in production before we think about solving the problem?

Solutions to Production Snags

Damascus AL-BA'TH in Arabic 3 Jul 86 p 4

[Editorial by Ahmad Shukri]

[Text] In this stage of serious work to evaluate production sites and their need for real profitmaking and satisfactory performance, it appears necessary for the public sector to leave stumbling blocks, entanglements and weak production behind.

This requires concentration on three general points: 1. Manufacturing spare parts locally. 2. Producing raw materials which we still import. 3. Directing individual investment into productive manufacturing, and slowing its headlong dash into the uncharted territory of speculations.

Regarding the first point, the initiatives have been promising. Steps have been made to produce spare parts in the tractor plant with the cooperation of the concerned craftsmen, and an agreement has been made with the trade organization to set out on initiatives at every level and to encourage all initiatives to achieve their goals.

Work is underway to support production of the necessary primary manufacturing materials, the requirements for which have been met by imports. We will hear very soon news from here and there of their actual entry into these fields. If the Arab common market had been in fact been established other than on paper, numerous local industries would have been able to guarantee their needs for primary materials in an exchange useful for both sides. If some of the missing links were made good, we would not have needed to say that our country has been in need of all the requirements and organizations of such a market for more than 20 years, in the face of painful wariness and harsh negativism from some of our brothers.

As for the third point, it is to direct local energies toward productive manufacturing instead of plunging into speculations, brokerage and real estate transactions--a number of positive steps have already been witnessed to overcome the difficulties of routine when they are found--requiring agencies to process license applications in a timely manner and easing the conferral of legality on unlicensed production facilities.

In this regard, it is incumbent upon the local administration to quickly set up manufacturing regions on a wide scale, and overcome the difficulties of administrative licensing.

A guide to industrial investment has been issued, including an explanation of the appropriate stage to be passed through to reach official licensing of the industrial facility. The advocated industrial climate is completed, beginning with the detailed steps, facilitation and processes which direct the investor to the numerous industries available for individual initiatives.

At the same time, investment is being encouraged in the joint industrial sector, supported and guaranteed by the nation, which permits it in a spirit of confidence and trust in order to diminish the risks.

It is useful also that the attention of the officials in the Ministry of Industry is turning to the manufacturing cooperatives, which have been eclipsed for a long time. The responsible circles have not given them their due in the way of encouragement and facilitation despite the law which, absolutely unequivocally, stipulates this in all its facets.

The Syrian Arab nation, with the size of its population and its strategic location at a land, sea and air crossroads, forms a unique market for various goods which has room for more production in every field, to say nothing of the fact that its Arab milieu must be opened up to it, and these are sufficient characteristics to attract the production and financial investments which are acceptable for use.

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SYRIA

BRIEFS

DEFENSE DOMINATES 1986 BUDGET--Defence is the dominant feature of the 1986 budget, presented to the people's assembly on 15 July. The partial figures, released by Finance Minister Qahtan Sioufi, show a slight nominal increase in total spending--to be set against an inflation rate estimated at more than 20 per cent--and continued emphasis on boosting investment in agriculture. Sioufi said total spending is put at L43,800 million (\$11,200 million), 2 per cent higher than 1985's LSyr 42,984 million (\$11,000 million) allocation. Defence spending rises by nearly 5 per cent to LSyr 13,600 million (\$3,640 million), from LSyr 13,000 million (\$3,319 million) in 1985. Defence accounts for just above 55 per cent of total current expenditure of LSyr 24,600 million (\$6,300 million). Spending on agriculture is set to rise by 21 per cent, Sioufi said, but he did not give a detailed breakdown of the spending and revenue targets. He said the budget's aims were "to reduce the deficit, fight inflation, and pay special attention to agriculture and exploration industries." He added that the government, which is facing a serious foreign exchange crisis, has decided to focus on projects that do not need large amounts of hard currency. [Text] [London Middle Eastern Economic Review in English 19 Jul 86 p 30] /13104

CSO: 4400/243

YEMEN ARAB REPUBLIC

PHARMACEUTICAL COMPANY REPORTS GOOD PROGRESS IN 1985

Sanaa AL-THAWRAH in Arabic 25 Jun 86 p 6

[Article by 'Ali al-'Umrani: "'Abdallah al-Tihami Presents a Report On the Activities of the Pharmaceuticals Company and Plant To the General Assembly At Its Regular Meeting"]

[Text] Yesterday the general assembly of the Yemeni Pharmaceuticals Manufacture and Trade Company held its regular yearly meeting, chaired by Chairman of the Board 'Abdallah Muhammad al-Tihami, at the company's headquarters.

During this meeting the group heard the board's report to the general assembly members about the budget for the company and the pharmaceuticals plant for the fiscal year ending 31 December 1985. The report highlighted the indices of the pharmaceutical plant's great success during 1985 in the areas of production, sales and profits, as well as the company's growth and development during the same period in both imports and sales, and the new gains and returns realized from the company's activities. The report stated that the board has given particular attention to manufacturing, in addition to the company's commercial activities, on the basis of standing instructions from the President and Secretary General of the National People's Assembly, which in turn derive from his sincere, tangible feelings about devoted patriotic guidance in building up the national economy through economic development based on agriculture and industry, in order to bring the country out of its backwardness into growth, development and prosperity by means of studied development plans which will achieve blessings and fulfillment for our people and our country under his wise leadership.

The report also mentioned the concern which the company is giving to the manufacture of medicines, in order to achieve increased production and greater efficiency at the pharmaceuticals plant, inasmuch as industry is one of the basic pillars for building a strong, firm national economy.

In this report, al-Tihami said that the Yemeni Pharmaceuticals Manufacture and Trade Company has strengthened its presence and expanded its activity on the Yemeni market by showing more concern for manufacturing medicines locally as well as importing them from world-renowned companies.

The board chairman's report to the regular yearly meeting of the company's general assembly confirmed the indices of the great success and the continual growth and expansion of its activities during fiscal year 1985, which can be highlighted by a quick overview of the more important activities of the company and the pharmaceuticals plant, supported by figures.

During fiscal year 1985, medical imports amounted to 142,405,491 Yemeni riyals, an increase of 37,554,251 riyals over the previous year's imports.

'Abdallah al-Tihami explained that these import figures represent only what was imported from world companies, in addition to 31,107,648 riyals worth of medical products which were withdrawn and sold, which represents what the company would have imported from international companies if the pharmaceuticals plant had not produced them.

The report said during fiscal year 1985 the company acquired concessions and earnings from international drug companies with which it dealt; such concessions included an increase in commissions on the volume of imports, transfers into revenues instead of appropriations in some import operations, and the receipt of goods free of shipping charges to help out with the currency differential.

With reference to the sales volume, the report said that during fiscal year 1985, sales amounted to an estimated 199,779,435 riyals, an increase of 30,643,822 riyals over 1984's sales figures.

It should be pointed out that this increase in sales over the volume of imports comes primarily from the pharmaceutical plant's products and then from the medical stockpile.

In the board report to the general assembly, 'Abdallah al-Tihami discussed the company's financial position, saying that during 1985 the company's commercial activity showed much more vitality and activity, in the area of imports and sales, when compared to 1984. The company's indebtedness to the Yemeni Bank for Construction and Development amounted to 34,006,645 riyals, in addition to deposits amounting to 13,462,989 riyals.

The board chairman referred to projects which have been completed and put into operation, saying that last March the medicine container plant, which cost 20,288,796 riyals for buildings, machines, equipment, installation and operation, started production.

This plant is meeting all the pharmaceutical plant's requirements, according to the medical specifications followed overseas for containers for medical products and for new types of drug production. It also prints and prepares medical containers such as packets, which had been imported at great cost from overseas.

The plant also prints record forms and other clerical requirements for the company and the pharmaceutical plant. Its production capacity is adequate to meet all foreign requirements such as standards and specifications for quality and precision. Right now the plant is printing its first book for the University of Sanaa, and there are preliminary agreements with several companies for printing the posters and other items they need.

The report indicated that the antibiotics and ointments section, which cost 5,049,865 riyals, has been completed. Other costs were incurred for building a top floor for the pharmaceutical plant's administration building.

It has also been decided that this section will begin production within the next few weeks, after all the final accounts for this section of the plant are posted and the equipment is completely installed.

In the board report, al-Tihami said that even though it has just recently been established, the pharmaceuticals plant, because of the big role it has played and will play in the future, has proven one obvious fact--that the manufacture of medicines in our country is part of the real dimensions of economic growth, the breaking of the foreign companies' monopoly, and the construction of a sound national economic infrastructure which will achieve the desired growth and development for our country.

The plant realized significant production, sales and profits during fiscal year 1985; as of the end of the year, its sales amounted to 31,107,648 riyals, an increase of 18,564,726 riyals over the previous fiscal year. Net profits amounted to 10,299,678 riyals, an increase of 8,177,536 riyals over the net profits achieved during the previous year. As for production, by the end of fiscal year 1985 the plant was producing ten different kinds of medicine. At that time, the plant began producing 15 kinds of medicine, and by the end of the current fiscal year, 1986, the plant will be producing 27 different kinds of medicine.

The report stressed that what has been accomplished and what will be done in the future is due to the self-sacrifice and devotion of the company's employees, which led the board to pay them the raises they have earned in past years. This should spur them on to greater efforts to improve operations at the company and the plant.

Board Chairman 'Abdallah al-Tihami's report explained that the company's board is giving considerable attention to manufacturing, and is deliberately striving to raise the level of production at the pharmaceutical plant by increasing the kinds of products and setting up more integrated projects, in order to achieve a certain degree of self-sufficiency and reduce the volume of medical imports, so that the company will not be at the mercy of foreign companies and currencies.

The report pointed out that the company has continually observed the motto "medicines are a service, not a commodity," because medicines are bound up with the citizens' life and health, which is something which cannot be trafficked in.

The report explained that on this humanitarian basis, the company, working with the Supreme Pharmaceutical Authority, has fixed the prices for medicines, and is trying to provide all kinds of medicines, either produced locally at the pharmaceutical plant or imported from abroad.

The board's report concluded by expressing gratitude and appreciation to President Col 'Ali 'Abdallah Salih for the concern and care he has shown this company and for his sincere, patriotic approval, which has allowed it to make progress year after year, particularly in drug manufacturing, which will reach more advanced stages and achieve increased production of medicines through self-sufficiency.

Afterwards, the company's general assembly and representatives from the Economy Ministry and the Yemeni Investment Company thoroughly discussed all aspects of the board's report, and the board chairman answered questions from the members of the general assembly.

Then the general assembly of the Yemeni Pharmaceuticals Manufacture and Trade Company ratified the board report and the chief accountant's report on the general budget for the fiscal year ending 31 December 1985, and approved the chairman's and board members' performance of duties for that fiscal year.

The company's general assembly also approved the distribution of profits as suggested by the board, to the amount of 25 percent of the capital, beginning 1 July 1986. The assembly elected Abu-Bakr 'Awad Ba-Dhib as board member for the coming period, and the board donated stock to the amount provided for by law.

The company's general assembly meeting was attended by Health Ministry Advisor Ahmad 'Ali al-Hadr, Board Members Abu-Bakr 'Awad Ba-Dhib, Ahmad Muhammad Salih, and 'Abd-al-Hadi 'Ali Muhammad, Economy and Industry Ministry Representatives 'Abd-al-Rahman Zabarah and Muhammad Shamsan al-Haydari, Yemeni Investment and Finance Company Representatives Ahmad Mirghim, 'Ali Ahmad al-Du'ays, and Muhammad al-Hajj, Central Control and Accounting Agency Representative Yahya al-Jawfi, and Company Chief Accountant 'Abdallah Hasan al-Iryani.

8559

CSO: 4404/417

YEMEN ARAB REPUBLIC

WEST GERMAN COMPANY TO BUILD SALT PLANT

Sanaa AL-THAWRAH in Arabic 26 Jun 86 p 2

[Article: "Agreement For Building and Equipping Salt Refining and Packaging Plant Signed"]

[Text] Yesterday, at the offices of the Yemeni Salt Refining and Packaging Company in Sanaa, an agreement was signed between that company and the West German Traub Company for the construction and equipping of a new salt refining and packaging plant to be built in al-Hudaydah. The plant, which will be constructed over a period of 20 months, will cost 67 million Yemeni riyals, and will produce 30,000 tons of high-quality, pure refined cooking salt yearly according to the latest industrial methods and sanitary specifications.

The agreement was signed for the Yemeni Salt Refining and Packaging Company by Board Chairman Ahmad al-'Attab and Director General Muhammad 'Ali al-Mu'sib, and for the Traub Company by their Sanaa representative, Mr. Michael Wolf.

In a statement to the Saba' News Agency, Company Director General Muhammad 'Ali al-Mu'sib said that this plant, which will rely totally on local raw materials, is being built at the direction of President Col 'Ali 'Abdallah Salih, who is concentrating on setting up industries which generally rely on locally available raw materials, which will ensure the growth and development of our country's industrial sector so that it can play an effective part in strengthening the national economy.

He said that the plant will produce salt for food, industrial, and prospecting purposes, for both local consumption and export. He pointed out that this vital economic project will be the starting point for the construction of many other industries which use salt products.

He also explained that the construction of this plant will add about 26 million riyals to the national income each year. At the end of his statement, the director general pointed out that the Yemeni Salt Refining and Packaging Company will be entering a new phase with this project, after having completed,

during the period since its founding in late 1984, the organizational infrastructure and technical studies necessary to start its activities and carry out its duties and responsibilities as defined by the law which founded the company.

The signing of the agreement was attended by the members of the company's board.

8559

CSO: 4404/417

YEMEN ARAB REPUBLIC

LOCAL INDUSTRIES BLAMED FOR SKYROCKETING PRICES

Sanaa Al-THAWRAH in Arabic 29 Jun 86 p 5

[Article by 'Abd-al-Tawwab Sayf: "The Madness of Inflation and the Insanity of Prices Are the 'Common Denominator!']

[Text] In these times, which are characterized, in the various areas of economic, social and political construction and development, by a patriotic, sincere, Septembrist spirit of giving, the fruits of which are within the reach of every citizen throughout our beloved country--in this phase so full of giving in all aspects of the comprehensive development process which is being spurred on with such determination and strength by President and Secretary General Col 'Ali 'Abdallah Salih--this sea of development is surrounded by question marks and exclamation points about how some people are holding back from joining this march of progress. For example, some merchants are afflicted with madness for excessive wealth without giving the slightest consideration to the fact that they are citizens first of all, and all the other people are their brothers first and last. Our Prophet Muhammad said, "By God, not one of you believes that he who loves his brother loves himself, and he who hates him hates himself."

Another group of merchants has founded companies and built factories, or, more properly, bottling plants for various beverages, milk and juices, which depend totally on imports, thus depriving the state treasury of millions of riyals in customs fees imposed on those commodities when they were imported ready-made. The Supply and Trade Ministry is immersed in studying this or that company's request to raise the prices of its products. Anger and frustration automatically arises when the citizen finds out that the price of this or that commodity has actually been raised, without his being able to find out the reason or even part of the reason. The most recent incident is perhaps the disappearance of milk packaged in various types and sizes of paper cartons, preparatory to raising its price. Before that it was infants' formula and packs of Kamran cigarettes, which cost 5 riyals instead of 3 riyals. "Chef" brand cooking oil, which was cheap and imported, gives way to "Deux Chef" brand, which is canned locally and is expensive. From the moderately-priced, imported "Peepers" diapers we go to the exorbitantly-priced, locally

packaged "Pampers." Even the locally-made paper tissues cost 50 percent more than the imported ones, which, as we mentioned earlier, were a source of revenue for the state budget.

Finally, another thing which arouses both grief and laughter, but more grief than laughter, is the Supply and Trade Ministry's reply to the owners of the soft-drink bottling plants: it permitted them to increase the price of a bottle of soft drink by 50 percent. The ministry knows full well that a bottle of cola, for example, costs only 50 fils--and if it doesn't know that, here is a living example. In the Seventies, a beverage bottling plant was built at a cost of 1 million riyals, and its stock sold for 10,000 riyals a share. Nowadays, a single share costs 1 million riyals--not because the shareholders added new money to their former holdings, but because of continually escalating profits. On top of it all, the Supply and Trade Ministry comes along and approves a price increase. Thus this ministry and that group of merchants are remaining aloof from all the changes taking place in our country, and no one takes the trouble to awaken them from their sleep. So sleep well, because today is not yesterday, and God willing a brighter day will come when you won't hang back from the march.

8559

CSO: 4404/417

HAZARAH YOUTH URGED TO JOIN ARMED FORCES

Kabul KABUL NEW TIMES in English 10 Jul 86 p 2

[Text]

KABUL, (BIA)—

The executive committee of the Central Council of toiling people of Hazarah nationality held its session yesterday to take measures for the recruitment of Hazarah youth in the ranks of the armed forces for the defence of the April Revolution.

The council has adopted the following message addressed to the Hazarah youth.

In the name of God, the merciful and the beneficent.

The brave youth of the working nationality of Hazarah!

Our revolutionary country Afghanistan has been facing an undeclared war conducted by

world imperialism and reaction of region for over eight years. This war has brought about great losses and disasters to our people.

Today, it is the high time for all patriotics and true sons of the homeland to rise in defence of the revolution and mother-

land where we have grown up and used its all moral and material blessings.

The April Revolution belongs to the Hazarah nationality more than any others, because the April Revolution saved the working Hazarah nationality who were oppressed for years during the domination of kings and landlords.

Today, the homeland and the revolution have the right to call for their defence by brave youth of Hazarah beside other patriotic youth.

The PDPA and the DRA state have provided better conditions for the sons and youth of the country to fulfil their patriotic tasks and support them permanently.

Recently, the decree of the Presidium of the Revolutionary Council of the DRA regarding the pardoning of those people who have avoided to continue their military service, was issued.

According to the decree, the officers, soldiers and those who were under recruitment and avoided to serve in the army due to the enemy propaganda, will be pardoned if

they voluntarily refer to their units and detachments or to the organs of state power and administration during the six months after the enforcement of the decree.

The decree gives the opportunity once again to those persons, who have avoided to serve in the army to join the ranks of the armed forces of the DRA and fulfil the noble task.

At present when our land has subjected to aggression by reaction and imperialism so, there is no any other noble duty except defending our beloved homeland.

Defence of homeland is the work of the true and heroic sons of the country.

You must join the ranks of the defenders of the homeland as your fathers did against the despotic Amirs (Kings) and British aggressors.

Your joining to the ranks of the heroic defenders of the revolutionary Afghanistan and your readiness in defence of the gains of the revolution will be a good and unforgettable impression and honour for our homeland and the future generation,

particularly for the future generation of Hazarah nationality.

If you, have been deceived, be aware and cut from the counter-revolutionary bands, because they will not exist any more. That day is not far away when our beloved homeland will be cleared of the criminal and plundering bands and when the atmosphere of nation-wide peace ensured in our country.

The central council of the working people of Hazarah nationality, that

is the gathering center of the representatives of Hazarah nationality in the revolutionary Afghanistan, addresses you, brave sons of Hazarah that you must reply to the call of the homeland, be proud and join the ranks of the revolution defenders, and keep alive memories of devotion and heroism of your fathers.

The homeland attaches its hope to the honest and devoted youth.

Forward towards the defence of our sacred homeland.

God helps us.

/12828

CSO: 4600/427

BAGRAMI MILLS INCREASE PRODUCTION

Kabul KABUL NEW TIMES in English 10 Jul 86 pp 1-2

[Article by Farouq]

[Text]

Bagrami Textile Mills produced two million metres of cotton cloth in the first quarter of the current year showing a five per cent increase over the corresponding period of last year. The mill produced about 11 million metres of cotton cloth and more than 14 million metres of colored and printed cloth last year.

The main output of the factory are linen, different kinds of cotton cloth and cotton yarn. Its raw material (cotton) is produced indigenously and the well-designed and high quality products of the mills play an important role in the economy of the country.

The Mill has auxiliary, engraving and tailoring sections, transport and a well-equipped workshop and produces superfine cloth. The factory has three sections of spinning, weaving and dying in which 1,485 labourers work in two shifts.

All workers are members of trade union of

their factory. Bagrami mill which was in a stagnant state in the past (prior to the revolution) has completely changed into a vanguard institution. New achievements in favour of the workers of the factory are very much in evidence. For instance, a well-equipped health clinic has been established with the cooperation of the Ministry of Public Health and the trade union of the factory in which the workers get free medical treatment. Also a kindergarten and a creche for workers' children have been set up in the institution.

Establishment of literacy courses, building of a mosque, a well-stocked library, and construction of workers' supplementary school are the other tasks undertaken. Right now 20 literacy courses are functioning in the mill. Last year, 114 workers graduated from the literacy courses and most of them are enrolled to

the workers' supplementary school.

Thanks to the great attention of the party and the state and the activity of the trade union, the workers receive consumer goods and coupon articles cheaper than in open market through the stores established inside the mill.

The houseless and single workers who had long suffered lack of shelter are now comfortably housed in a dormitory which has accommodation for 270 people and is built adjacent to the factory. The workers of the factory knowing that is not only a source of production, but also a social, cultural and economic institution closely linked with their lives do not spare any effort to defend the factory.

At present 370 workers have voluntarily joined the civil defence group of the mill. The workers of the mill carried out voluntary work nine times last year saving more than 116 thousand Afs for the mill. To raise the production of the

factory. 227 workers in four shops launched crash work. Among the workers, 8 outstanding workers received medals and badges given by PDPA CC, RC and the Trade Union of Afghanistan. Likewise, eight outstanding workers of this factory have been elected as peoples representatives to local organs of state power administration.

Setting up of primary party organization, women's democratic organization, democratic youth organization and defence groups are the other fruitful steps taken in the factory. The Mill has also organised facilities for sports for its workers including football, volleyball, wrestling, weight lifting and boxing and established artistic groups of workers.

/12828

CSO: 4600/427

CAMPAIGN AGAINST MALARIA TO BE INTENSIFIED

Kabul KABUL NEW TIMES in English 10 Jul 86 p 4

[Text]

The Institute for campaign against malaria and for parasitology, has checked and treated during 15 months over 333,000 patients affected by malaria, leishmaniasis and intestinal diseases.

According to the policy of the DRA state on rendering free health services to the citizens, the institute carries out through its different departments free supply of medicines, laboratory check up and treatment of patients affected by the above diseases.

All the city polyclinics, hospitals, armed force polyclinics, education health centres, family guidance associations all over the country are furnished with the malaria and parasitology laboratories. Seven such laboratories were newly opened and are functioning in Kabul city. Presently, 203 laboratories are functioning all over the country.

The institute, in the first quarter of the current Afghan year in its campaign against anopheles mosquitos over an area of 2,475,500 square metres of water logged marshy areas sprayed 55 litres of abit, 830 litres of mobile oil, and spread 300,000 gambusia fish and filled 40,000 cubic metres of marshy pits with soil.

Research was also carried out on two species of bacilli in the water at a depth of 1-100 metres. The bacilli will be used to inhibit the larval stage of anopheles mosquitos.

Malaria occurs in Khosht division and Kunduz, Badakhshan, Takhar, Nangarhar, Laghman, Konarha, Kandahar and Helmand provinces, and leishmaniasis is prevalent in Herat, Kandahar Kabul, Kapisa provinces and Mazar-i-Sharif and Aqcha cities.

Due to geographical, climatic and unhygienic condition intestinal paras-

itic diseases are prevalent throughout the country.

The institute for campaigning against malaria, and parasitology during the first quarter of the current year had held four training courses of five weeks duration in the centre and provinces of the country for further education of its personnels. The trainees were taught by Afghan and foreign experts.

For improvement of activity and drafting of the operative plan for the control of the above mentioned diseases in the country, a seminar of regional directors and related units was held for a week. Similarly, the institute for training its 22 techn-

icians held a six weeks course in the first quarter of the current year.

The institute besides carrying on effective work in the centre has also organised its activity in the provinces through 8 zones and 33 units to fight malaria, leishmaniasis and intestinal diseases.

With the help of experts from the Soviet Union and WHO the institute has drafted plans for the HS 1365 and 1366. In these plans emphasis has been laid that the personnel of the institute should as the first

step provide necessary medicines for treatment of disease to the people. The programme is somewhat fulfilled.

The institute is planning to urgently apply necessary measures all over the country for treatment of positive cases, anti-larva activity and spraying operation against disease transmission. It is also proposed to increase the activity of the institute all over the country by the end of HS 1369.

WHO and UNICEF, have permanent cooperation with the Institute. The UNICEF recently donated one million chloroquine tablets to the Institute.

/12828

CSO: 4600/427

BANGLADESH

GOVERNMENT SPOKESMAN REPLIES TO HASINA STATEMENT

Dhaka THE NEW NATION in English 1 Jul 86 pp 1, 8

[Text]

The All-India Radio and the BBC in their broadcasts on June 26 and 27 respectively quoted the leader of the 8-party opposition alliance in Bangladesh as saying that the government should end what she called repression on the tribal activities in Chittagong Hill Tracts. She also urged the government to concede to the demand of the activists.

Sharply reacting to the statement a government spokesman posed a question "does the opposition leader mean to suggest the government should agree to their demand for secession." The spokesman further told ENA the learned opposition leader and her alliance will be well advised if they refrain from issuing such unwarranted and derogatory statement to the detriment of territorial integrity and national interest of Bangladesh. He drew her attention to the unremitting efforts being made by the government for the past four years to solve the problem of the people of tribal Chittagong and to associate them with the main stream of our national life. Hence the question of subjecting them to repression does not arise at all, the spokesman said.

The spokesman further reminded the opposition leader who now shed crocodile tears for the tribal people that this problem was created by the great grand leader of her party when he as the chief executive of the government soon after independence made a blunderous statement asking these people to merge themselves with the Bengalees. The problem is also attributable to the policy of gross negligence to the area pursued by the then government. The present government has inherited the problem as a legacy from the past and is trying with all sincerity and earnestness to resolve it.

The leader of the eight-party alliance, who is now posing herself as the champion of the tribal people's cause, is perhaps unaware of the generous support, moral and material, being rendered to these people by the present government to enable them to lead a peaceful settled life. The steps taken by the government to help the tribal people include establishment of Chittagong Hill Tracts Development Board with sufficient budgetary allocation and massive development activities

embarked upon in the area etc. Besides setting up schools and colleges for the education of the tribal youths the government is providing them cash grants to enable them to build dwelling houses, acquire lands to take to farming. The government's generous gesture towards tribal people is proved by the fact that it has amended the century old law that denies them the right to own land. Now they can buy and own land for farming. What is more, interest on bank loan advanced to them has been reduced. The government also demonstrated its magnanimity by granting general amnesty to those tribal activities who were led astray and by rehabilitating them with employments and other facilities. The government has taken these steps to reassure the tribal people of its sincere desire to solve their problems and enable them to play their rightful role in national life. As a result, many of them who went astray returned to normal life. The process is still on the spokesman said.

/13046
CSO: 4600/1929

INDIA

GANDHI OPENS IRRIGATION MINISTERS' CONFERENCE

Bombay THE TIMES OF INDIA in English 9 Jul 86 pp 1, 5

[Text]

NEW DELHI, July 8 (UNI).

PRIME Minister Rajiv Gandhi today urged the states to evolve a positive policy which would treat water as a national resource.

Stating that inter-state river water disputes resulted mainly in colossal loss of precious water, Mr. Gandhi said the country was also wasting more water than it was using, whether it was in irrigation, urban supplies or elsewhere. "It is time we tightened up on this use."

Mr. Gandhi, who is the chairman of the national water resources council, was inaugurating the two-day national conference of irrigation and water resources ministers here.

Mr. Gandhi said although water was perhaps the most critical natural resource, it was being squandered in "totally irresponsible" manner.

"In fact, sometimes our attitudes are so negative that we allow it to damage our own areas, but we will not allow it to go into another state or into another district..."

Underlining the need for a more effective and efficient use of water, Mr. Gandhi said there should be no room for "petty parochialism" in this matter. Water must be seen as a national resource.

BASIN APPROACH

The Union minister for water resources, Mr. B. Shankaranand called for integrated development of river basins to rectify some "aberrations and imbalances" in national water resources development.

A general weakness in the development of water resources so far, he said, was the lack of a basin approach. The approach remained mostly project-oriented, he said.

The conference was preceded by a series of regional meetings of irrigation ministers of states over the last one month to discuss problems, solutions, and needs of the regions in regard to water resources development.

Pointing out that most of the rivers in the country were inter-state in nature, Mr. Shankaranand said that for economically harnessing the waters and preventing land degradation, it was necessary to undertake water resource planning, development and management of basin, sub-basin and command area basin.

There was no point in importing surface water to those areas where usable ground water was available in adequate quantities. Besides, further development of ground water in areas where the water levels were falling should be reviewed and remedial measures for regular development should be undertaken urgently.

Integrated development and conjunctive use of water resources was the only solution to a number of problems in irrigation, he said.

Mr. Shankaranand said one of the major hurdles in the future integrated development of the basins could be "too much of compartmentalisation" of water-associated activities.

The development of surface irrigation, ground water, domestic and in-

dustrial supplies treatment of effluents, flood control measures and navigational structures were all being handled by different agencies in an isolated manner.

PEOPLE'S MOVEMENT

Another important common national issue was farmers' participation in water resources development.

Their involvement so far had been "rather poor". Somehow, water resources development appeared to have remained mostly a "bureaucratic or technocratic exercise."

In future it would have to be made a people's movement, he added. Not only at the operational and management stage, but even at the conceptual stage, it was necessary to involve the people — both beneficiaries and the afflicted people — so that a socially balanced programme would emerge.

The minister said he was not happy about the way the special component plan for scheduled castes and tribal sub-plans were being handled and monitored by the state departments.

The social content of the water resources development programme, specially for the weaker sections, could not be neglected, he emphasised.

GUJARAT'S PLAN

PTI adds: Gujarat proposes to set up a massive water co-operative for the entire Mahi command with the help of National Dairy Development Board, according to the state chief minister, Mr. Amarsinh Chaudhary.

The Maharashtra chief minister, Mr. S. B. Chavan, presided over one of the working groups at the conference.

The conference was divided into four groups and Mr. Chavan presided over the group which dealt with major, medium and minor irrigation projects and tribal and special component plan.

The recommendations of the four groups would be put forth for discussion before the meet tomorrow.

Group one which has its chairman the West Bengal irrigation minister, Mr. Nani Bhattacharya and co-chairman, Tamil Nadu irrigation minister, Mr. Yusuf, will discuss the planning and development of integrated water resources. It will also discuss training and research programmes for manpower planning.

/9317

CSO: 4600/1961

INDIA

PAKISTAN FREES JAILED INDIAN FISHERMEN

Bombay THE TIMES OF INDIA in English 9 Jul 86 p 7

[Article by Niranjan Bhatt]

[Text] Bulsar, July 8--Dame luck at last smiled on 92 Indian fishermen including 53 from this district, as they were released from the Bhavalpur jail of Pakistan, where they had been illegally imprisoned for more than a year.

The detenus were released on July 3 and some of them reached here on July 6.

Mr Bharat Mangal Tandel of Nani Danti village, who had been arrested on April 14 last year from a fishing vessel off the Iranian coast, disclosed that detenus had been divided into batches and released at intervals of one to three hours.

Mr Gangaram Tandel of the same village, narrating his heart-rending experience disclosed that instead of a legal repatriation, the detenus were dumped in two buses on July 3 night under heavy police escort and brought to a remote place about 90 km from Bhavalpur where they reached at 11 p.m. They were given a glass of water and later on separated again into four batches of 25 each, and taken to an isolated village at about 1 a.m.

They were grouped in two and ordered to walk from there without making any noise. They were ordered not to smoke, too.

Final Orders

Soon the five police escorts gave final orders to quick march and disappeared in the darkness of night, after informing them that they were entering the Rajasthan border.

The group walked a further 10 kms and reached a tiny village on the Indian side where they got a pot of water to wash themselves. But they did not rest till they reached a small town, "Satpari," at 10 a.m. on July 4.

They caught a state transport bus for Anupgadhi, a bigger town on the western sector of Rajasthan.

Mr Tandel said, though short of money, he along with his friends reached Bikaner, that evening from where they took a train for Ahmedabad.

Mr Bharat M. Tandel, and Mr Dalpat B. Macthi of village Termora of Umbergaon taluka, who were accompanying Mr Gangaram Tandel, had the same story to tell.

All these three youths also said that they had lost hopes of survival because of their experiences in the Pakistan jails. But, one social worker of Pakistan, Mr Abdul Sata Edhi, who is also member of the Jail Advisory Committee and a female worker whose name they did not remember, played a key role in their release.

The people of both Nani Danti and Termora were overjoyed at the detenus' return and performed special poojas.

/9317

CSO: 4600/1961

INDIA

NEW AMBASSADOR TO USSR KAUL ARRIVES IN MOSCOW

New Delhi PATRIOT in English 13 Jul 86 p 1

[Article by Rajiv Shah]

[Text] Moscow, July 12-- New Indian Ambassador to the Soviet Union T N Kaul, who arrived here this afternoon from Delhi, said that he felt "confident, hopeful and optimistic" about his second term as envoy in Moscow which begins today.

A seasoned diplomat who had passed his ICS examinations way back in 1936 and one of the first ones to be selected by Jawaharlal Nehru for the Indian diplomatic service in 1947, Mr Kaul, 73, looked fresh on arrival at the Moscow International Airport.

His first term as ambassador to the Soviet Union from 1962 to 1966, a turbulent period for India, is often recalled with nostalgia here. One of those who was instrumental in the famous Tashkent Agreement between India

and Pakistan after the 1965 war between the two countries, he is regarded as a champion of peace who regards Indo-Soviet friendship as having played an effective role in promoting security in the South Asian region.

Mr Kaul's posting once again to the Soviet Union is widely considered here as symbolising the great importance Indian Prime Minister Rajiv Gandhi attaches to Indo-Soviet relations. He has come here at another crucial time, when there is a broad feeling both among Indian diplomats as well as Soviet sources that Indo-Soviet friendship is at a level where it requires to move over from the "traditional mode" to the new areas, while fully utilising the advantages of the old and rooted ties.

Mr Kaul is the only diplomat from India who has served as ambassador both in Moscow and Washington and will simultaneously be serving his second term here.

/9317

CSO: 4600/1963

INDIA

SURVEY BEGINS ON ASSAM BORDER ROAD STRETCH

Calcutta THE SUNDAY STATESMAN in English 13 Jul 86 p 9

[Text]

GUWAHATI, July 12. —The survey of the Dhubri sector of the border road with Bangladesh has begun but it is authoritatively learnt that the alignment will be more than 150 yards from the "zero line".

The Centre obviously has taken the step since Dhaka had expressed its reservations about the construction of a border fence and road, claiming that they were incompatible with friendly relations between neighbours.

Under the mutually accepted guidelines, no defensive structures were to be constructed within 150 yards of the common demarcated border but Delhi maintains that the proposed fence and road are not defensive structures. Moreover the Centre is "committed" in this regard by the Assam accord.

The survey work was first interrupted two years ago when the Bangladesh Rifles personnel fired on an Indian party. After the Asom Gana Parishad came to power, work was resumed but abruptly stopped when the BSF withdrew its force which provided the protective cover since they were needed elsewhere. Following representations by Assam's Chief Minister, Home Minister and others, the Union Home Secretary visited Guwahati for discussions and Assam was told to wait for the Centre's green signal. It came in the form of a Rs 14.5-lakh sanction to the Assam PWD which was entrusted with the survey work by the Central PWD. Although rainfall in Assam this year

is not one-third of what it usually is, creating adverse conditions for the silt paddy, the main kharif crop, the ruling party's major problem stems from the manner in which the Assam accord is being implemented and the AGP is blaming the Centre for the delay. This is evident from Mr Profulla Mahanta's letters to Mr Rajiv Gandhi in recent weeks.

The latest, which was handed over to the Prime Minister at Silchar two days ago, expresses the "serious concern" of the State Government and the people of Assam over the delay in implementing the accord. After listing a series of issues and demands which had been discussed in detail, the letter adds that further delay will bring about public disillusionment and frustration.

On an earlier visit to New Delhi in June, Mr Mahanta had warned that the delay gave anti-accord, anti-Assam and anti-national elements an opportunity to create problems.

The AGP leaders have, however, respected the Prime Minister's desire to implement the accord and have stressed that "with your intervention and cooperation of the Central Ministries concerned, it would be possible to resolve all those issues within a short time".

Some diehards in the AGP may favour a dramatic protest but it has been turned down. Observers are impressed by the AGP's expulsion of a party M.P. but add that what it needs is an imaginative approach and well-defined priorities.

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CSO: 4600/1962

INDIA

TRIPATHI STATEMENT SCORES CONGRESS-I WORKINGS

Bombay THE TIMES OF INDIA in English 9 Jul 86 p 1

[Text]

NEW DELHI, July 8.

MR. KAMLAPATI Tripathi, Congress working president, has raised a stir again in the party, by stating that the democratic functioning of the old Congress has been jolted lately, especially because of the postponement of organisational elections for the last 14 years.

In a statement issued today, the octogenarian leader said that the party had become weak because the democratic process within the party had received a setback by the continuous postponement of elections. Imposition of PCC office-bearers and other functionaries had caused immense damage to the party, he said.

In his view, only the organisational poll (which incidentally, has once again been postponed tentatively, till October) could restore the lost glory of the Congress Party. He was confident that the party polls would be held though its schedule might be slightly recast.

MAJORITY DECISION

Mr. Tripathi called upon all active members of the party to take keen interest in the organisational elections and help in the establishment of "inner democracy" in the party.

He pointed out that the peculiarity of the old Congress set-up was that its functioning was completely democratic and members had full freedom of expression, but the majority decision was accepted by all. This process had lately been jolted.

Full freedom of expression had given strength to the Congress in the old days. There used to be a tussle among the leaders, but the majority view always prevailed, he said.

Only recently, Mr. Tripathi had created a major controversy through his letter of April 22 to the Prime Minister, Mr. Rajiv Gandhi, in which he had virtually indicted the functioning of the party and the government.

The Congress working committee had discussed the letter and Mr. Tripathi, while maintaining his right to write such letters, had clarified that none of the points in his letter remained valid following his discussions with Mr. Gandhi and in the CWC meeting.

It is no secret that Mr. Tripathi was denied renomination to the Rajya Sabha mainly because of the "leakage" of this letter to the press. It is also likely that the party post he is holding may be abolished by the end of this year.

Meanwhile, AICC made it abundantly clear that there was no "ban" imposed on Congressmen touring a state to explain the party policies in the context of gaining support for themselves in organisational elections.

Mr. R. L. Bhatia, AICC general secretary, said today that both Mr. P. C. Sethi and Mr. V. C. Shukla had met him last week and clarified that they were not doing or saying anything that was violative of party discipline.

NO PUBLIC CRITICISM

He also said that the directive, issued first by him, and then by his colleague, Mr. G. K. Mooppanar, was couched in general terms urging Congressmen to desist from voicing public criticism of the party or government. Mr. Mooppanar's directive also stated that AICC had not authorised any Congress leader to tour the state.

Meanwhile, Mr. Motilal Vora, chief minister of Madhya Pradesh, who was here to attend the irrigation ministers' conference, discussed party matters with Mr. Bhatia this evening.

Regarding Pradesh returning officers (PRO), Mr. Bhatia said that the approach of AICC was to nominate Congressmen from outside the state.

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CSO: 4600/1961

INDIA

MUKHERJEE DISCUSSES SITUATION IN CONGRESS-I

Calcutta THE STATESMAN in English 12 Jul 86 pp 1, 9

[Text]

NEW DELHI, July 11.—Mr Pranab Mukherjee, former Union Finance Minister, said here today that the proposed national convention of Congressmen would be held some time in the end of September in Delhi. The convention would enable such Congressmen to finalize their future course of action and decide whether the group that would emerge would participate in the Assembly elections in West Bengal, Kerala and Haryana to be held next year.

In an informal talk with reporters, Mr Mukherjee compared the political situation in the country to that before the 1967 elections. He felt that if elections were to be simultaneously held today to the Lok Sabha and the State Assemblies, the ruling party at the Centre might not return to power.

He held that ever since the December 1984 Lok Sabha elections, in which the Congress (I) was voted to power—and people had voted for it because it had pledged in its manifesto that it would save the country from disruption and disintegration—the Congress (I) had been consistently sliding down in its electoral performance.

This was because instead of being able to bring about unity and integration, "what has taken place is the reversal of it, and the Centre had shown weakness in dealing with the forces of disruption and disintegration. Wherever a group of people has been able to show its muscle power and obstinacy, the Centre had capitulated and bended over backwards to please disruptionists. The Congress (I) president has been the architect of three accords but the party has been their victim, because the people have rejected that party in the elections held in Punjab and Assam".

"The Congress (I) thereby had failed to keep up to its election pledge and that was the reason for the erosion in its credibility in preserving the unity and integrity of the country. A General Election was still three and half years away, but with its dwindling image, the party would not be able to fare well in future, he thought.

He said the regional parties in Assam, Andhra Pradesh and elsewhere and the Left Front in West Bengal, would send "large contingents" to the next Lok Sabha elections, and "you can work out in plain arithmetic how many seats the Congress (I) will get if a strong regional party emerges in the Hindi States of North India".

Mr Mukherjee pointed out that in the 1967 elections, the Congress had secured 282 seats and the non-Congress parties a total of 238 seats in the Lok Sabha. "If 40 seats had come to this side, there would have had to be a coalition Government at the Centre", he said and asked whether he foresaw a coalition Government in the 1989 elections. He said he did not rule out that possibility.

Replying to questions, Mr Mukherjee appeared to agree with the "political objective" of the new Congress group, as enunciated by Mr Sisir Bose, whom he met here today, for an exchange of views and information, as the two leaders are meeting political personalities in different States.

Mr Bose is working for a "left and democratic consolidation among Congressmen" and Mr Mukherjee approved of this aim, pointing out that the Congress had always been a Leftist party, and he expected the Leftist forces in the party to emerge again. When had the Congress not been Leftist, he asked. Tilak was Leftist, as was Mahatma Gandhi when he went to the masses. Nehru was a Leftist and Mrs Gandhi had also become a Leftist. "So Leftism is in-built in the Congress, and we are not doing anything to reverse that trend".

Mr Mukherjee said that the consultation with other Opposition parties "was just a way of exploring what possibilities there are for a consolidation of Left forces, for many of those who are in the Opposition parties today have been Congressmen before". When it was pointed out that what he (Mr Mukherjee) had so far been doing was bringing "Indira loyalists" together, Mr Mukherjee replied that there was no difference between the two moves. "What I am doing is to bring together Congressmen who have identical views and who were close to Mrs Gandhi, whose policies represent leftism. Therefore, there is nothing contradictory between the two positions."

He held the view that the present Government and the Congress (I) party had deviated from Mrs Gandhi's line of "nationalization, commanding heights of the economy for public sector enterprises, dependence on national resources and international resources, rather than on borrowed resources".

/9317

CSO: 4600/1960

INDIA

REPORTAGE ON PROBLEMS IN KERALA CPI-M

Namboodiripad on Raghavan Expulsion

Calcutta THE STATESMAN in English 10 Jul 86 p 8

[Article by S. Rajappa]

[Text]

MR E. M. S. Namboodiripad, general secretary of the CPI (M), said in Trivandrum recently that the Congress (I) was not his party's No. 1 foe. In a four-page statement defending the expulsion of Mr M. V. Raghavan, MLA, from the party, he said that the country's No. 1 enemy was "imperialism" of the USA, which was trying to bring India under its influence, as it had been doing in other Third World countries. The CPI (M), he said, supported the Rajiv Gandhi Government's fight against imperialism on the political front. The Congress (I)-led United Democratic Front Government in Kerala headed by Mr K. Karunakaran, which has earned the odium of being the most communal and the most corrupt the State has ever had, could not have survived four years in office and remain all set to complete its full term, a rare feat by local standards, but for the timely help extended by Mr Namboodiripad whenever it was on the brink.

Mr Raghavan was expelled from the CPI (M) on June 23 after a State committee meeting which was attended by, among others, Mr Namboodiripad and two more Politburo members. Mr Basavapunniah and Mr E. Balanandan. A nine-page statement on the deliberations of the State committee meeting said that Mr Raghavan had become "a victim of parliamentary infatuation" and had been trying to sabotage the party's policies which were accepted by the majority after maximum possible inner-party discussions. The decision to proceed

against Mr Raghavan and his supporters was first taken at the 12th CPI (M) congress in Calcutta last December when it was decided to suspend him for a year, and his close associate, Mr P. V. Kunhikhanan, convener of the Opposition Left Democratic Front, for three months. Two other party MLAs, Mr C. P. Moonsankutty and Mr C. K. Chakrapani, were censured and many more warned.

Mistake

The mistake of Mr Raghavan and followers was that they circulated an alternative document to the party's official policy at the CPI (M) State convention in Cochin last year, which, in effect, singled out the Congress (I) as its No. 1 enemy. To defeat that enemy there was no harm in forming a united front on the lines of the one promoted by Mr Namboodiripad in 1967 which included the Muslim League and the Kerala Congress. The present policy of the CPI (M) in Kerala was not to have any truck with communal parties. Mr Raghavan was also accused of creating a separate group in the party point as a member of the party secretariat in charge of youth and student movements, he was charged with trying to instill in the ranks loyalty to himself. Another complaint was that he was disrespectful to party elders. The greatest sin Mr Raghavan committed was, however, giving an interview to a local newspaper, which was

considered a challenge to the party leadership.

Mr Raghavan, replying to charges, said: "The programme adopted by our party in 1964 has made it clear that it is our duty to bring about a people's democratic revolution. The party programme also explains the united front tactics to be pursued for this purpose. While forging such fronts, the party programme clarifies that we should take into account the bourgeoisie contradictions. This means that the front we forge should be one against the Congress (I) and its Government controlled by monopoly capitalism. We can perform these functions only by coming out openly against the Congress (I)". Defending his alternative document, co-authored by N. S. Sreedharan, who was subsequently killed, Mr Raghavan said: "The rights conferred on the minorities by the Constitution are not being honoured in today's capitalist society. The bourgeoisie landlord ruling class strengthens fissiparous forces and fails to build up national unity on a firm foundation. Our party is unable to exploit these contradictions. This means that we are not able to perform the task of the people's democratic revolution and that we are helping the Congress (I). This has been proved by the Kerala experience. Mr Namboodiripad has himself stated that the UDF Government of Mr Karunakaran should complete its full term as it had the people's mandate. This makes it clear that our policy would be to help the Congress (I). Without correcting this line, we will not be able to strengthen the Left democratic movement and the CPI (M) in Kerala."

Referring to communal politics, Mr Raghavan said that the review report of the tenth party congress in Jullundur had offered answers to questions about the character of the Left and democ-

cratic parties and groups. The Jullundur congress said: "The undivided Communist Party had always adopted a sectarian, dogmatic and wrong approach to the DMK, Muslim League and Akali Dal. Our party fought valiantly to abandon these wrong attitudes and to make electoral adjustments with these parties and even to give them a place in the united front Governments." Unity of the Left and democratic forces should be forged on these lines, Mr Raghavan said, and asked: "Has the policy evolved at the tenth congress been found faulty now?" He pointed out that the Central Committee's review of the 1980 Lok Sabha and Assembly elections in Kerala came to the conclusion that "Our front in Kerala is much broader now. The Muslim League and the Kerala Congress are its constituents. The LDF is an eminent proof of the victory of a broad front against authoritarianism." The 11th party congress held in Vijayawada, endorsing the Jullundur thesis, said: "The Left Democratic Front Government in Kerala formed in 1980 lasted 21 months and paved the way for such a realignment of political forces, which was conducive to the growth of mass movement as well as to the party. Our tactical line on united fronts was correct and had helped strengthen our party and the Left democratic forces while weakening the Congress (I)".

Mr Raghavan said that he failed to understand how his alternative document, which was in keeping with the line adopted consistently by the party congress, could be termed "parliamentary revisionism." He blamed the CPI (M) leadership for trying to ensure a full five-year term to the Karunakaran Ministry. Mr Chakrapani, chief whip of the CPI (M) Legislature Party, described the expulsion of Mr Raghavan as "a cruel act of political vendetta" and called upon

CPI (M) workers to register their protest, which they have been doing increasingly. Mr Namboodiripad, who at the time of Mr Raghavan's expulsion said that "not a dog would bark," has since modified his stand. "I pray God Almighty gives me the good sense not to act as comrade Raghavan."

Polarization

The importance of Mr Raghavan lies in the implicit faith the student and youth wings of the party have in him. In Kerala, where polarization of voters has taken place to a large extent, Assembly elections are decided by a margin of 1,000 to 2,000 votes in most constituencies. In the entire Malabar region, the traditional stronghold of the LDF, Mr Raghavan and his supporters could easily mobilize 3,000 to 5,000 votes. This is the challenge the CPI (M), as leader of the LDF, must face in the next Assembly elections, due in May 1987.

Mr Raghavan is under pressure from his supporters to launch a party of his own. Past experience of expelled Communist leaders in Kerala, starting from Mr N. C. Sekhar, followed by Mr K. P. R. Gopalan, Mr P. Gangadharan and Mr Chathunni Master, does not present a very encouraging picture. Except for Mr Gangadharan, who remained politically active by leading the Socialist Republican Party, essentially a communal outfit of the backward Ezhavas, others simply withered away. But, unlike his predecessors, Mr Raghavan draws his strength at the grassroots level. The person to grasp the political significance of Mr Raghavan's exit from the CPI (M) is Mr Karunakaran who, taking advantage of the disarray in the LDF, is planning to advance the Assembly elections to December.

Chief Whip Expelled

Bombay THE TIMES OF INDIA IN English 9 Jul 86 p 14

[Text]

TRIVANDRUM, July 8: The Kerala secretariat of CPM has suspended Mr. C. K. Chakrapani, MLA, from party membership.

The secretariat, which met here yesterday, also removed Mr. Chakrapani from the post of chief whip of the CPM legislature party. Mr. O. P. Bharatan is the new chief whip.

It decided to seek an explanation from Mr. Chakrapani, a state committee member and former editor of the party daily, "Deshabhimani," regarding his anti-party activities.

Mr. Chakrapani, a former Lok Sabha member from the Trichur region, has openly denounced the expulsion of Mr. M. V. Raghavan and condemned "the lack of inner-party democracy" in CPM.

One of the signatories of the "alternative political note" calling for a change in the party policy of having no alignment with parties such as the Muslim League and the Kerala Congress, he had been censured along with some other leaders by the secretariat in January.

Both Mr. Chakrapani and Mr. Raghavan have been organising meetings of their supporters, mainly in the Malabar region. Some of these meetings have been marred by stone-throwing and raising of slogans.

/9317

CSO: 4600/1954

INDIA

LE MONDE REPORTS ON TERRORIST ACTS AGAINST HINDUS IN PUNJAB

Paris LE MONDE in French 18 Jun 86 pp 1, 5

[Article by Patrice Claude]

[Text] Mounting assassinations of Hindus by Sikh extremists in the State of Punjab have triggered a massive protest demonstration in New Delhi. Ten thousand Hindus paraded through the streets of the capital on Monday 16 June chanting: "Call out the Army, save Punjab!" and "Rajiv Gandhi, act or step down!"

The Punjab chief of police said that he had enough men and that the army "was not trained to combat terrorism."

Amritsar. Harbans Lal is the last Hindu grocer in Chatiwind, a dusty village of 1,000 souls, lost in the fields 15 km from Amritsar. Two of his fellow tradesmen were killed last month by Sikh terrorists, and a third decided to flee with his family. Harbans Lal now wears a superb black beard and a sort of dirty turban covers his head. "My Sikh neighbors advised me to do this," he explained. "This way I have a chance of coming out alive if the terrorists come back."

Pack your bags or wear a turban. For several months now, this is the only alternative available to the minority Hindus in Punjab. Many isolated in rural areas in the three districts most infested with terrorism (Amritsar, Gurdaspur, and Firozpur) have stopped shaving. Thousands of others have left their homes, sold off their cattle, and gone to urban areas or the neighboring State of Haryana, where Hindus are in the majority.

"In a month's time, all Hindus should have left Punjab--and the Sikhs who support them, too. Those who do not leave will be killed and their houses will be burned down. It is prohibited to take down this sign under penalty of death. Signed: the 21st and 22d Battalion of the Khalistan commandos." This warning, posted on the filthy walls of Tarn-Taran, a large rural town in the Amritsar district, is more or less the same as those posted periodically in Fatehabad or Gurdaspur further to the north, near the Pakistani border.

The only difference is that there, the Khalistan Liberation Army (KLA), a rival pro-independence faction, is the one signing the injunctions and

spreading terror. In all, the police intelligence services have identified at least 37 terrorist commando groups of four to six well-trained men. Their daily missions consist in bank and store hold-ups, attacks on isolated police stations, bombing attacks in public places, and methodical machine-gunning in markets of Hindu neighborhoods. Their immediate objectives are to destabilize the government, systematically intimidate the Hindus so that they will leave, and eventually in turn force the 6 million Sikhs scattered throughout the rest of India (Footnote 1) (Nine million Sikhs live in Punjab, where they comprise 52 percent of the population. The rest are isolated in predominantly Hindu towns in other parts of India.) to return to the "country of the five rivers" (Punjab in Sanscrit).

"We have only one goal," the 27-year old head of the KLA recently told an Indian paper, "and that is Khalistan." At least 10,000 people, (Footnote 2) (Including the at least 5,000 Sikhs massacred by Hindu crowds outside Punjab following Indira Gandhi's assassination in October 1984.) including a prime minister, a hundred police, several dozen moderate politicians, priests, physicians, soldiers, tradesmen, and journalists, have already paid with their blood for the Khalistan nightmare.

The idea of a "land of the pure" (Khalistan in Punjabi), independent from India and reserved for Sikhs was first formed in 1947 in the mind of a Sikh professor, Kapour Singh, a refugee in London. At the time, the British empire in India was about to be dismantled to the benefit of Indian Moslems, who also wanted to have their "land of the pure" (Pakistan, in Urdu).

The "Khalistan Tax"

They got it. But Kapour Singh's dream, lacking popular support, was forgotten. The Sikhs, who account for less than 2 percent of the 750 million Indians, have always shown the greatest loyalty for what the Moslems sarcastically call "Hindustan." The vast majority of them are, moreover, opposed to the idea of Khalistan, revived in 1980 by another Sikh immigrant in London, Jagjit Singh Chauhan, the self-proclaimed "president" of "the Khalistani Republic in exile."

Harbans Lal, the Hindu grocer being "Sikhized," confirms this in a way. "When I left the village 2 years ago to shelter my family from terrorism, it was my Sikh neighbors who came to get me. Business was bad in Haryana so I came back." There are now only five Hindu families left in Chattiwind. Ram Lubaye, the wholesale merchant in the village, opted to abandon everything and take refuge in a Hindu temple in Amritsar, the "holy city" of the Sikhs, where their "disciples" (Sikh in Sanscrit) are strangely in the minority.

"Two of our uncles were assassinated by terrorists last month," the family matriarch told us. "There were eight of them, armed with sawed-off machine guns, a favorite weapon of the Khalistani assassins. They took them out of the shop to execute them in the middle of the street. Later, we received a letter. It said that if we did not pay 50,000 rupees, two more members of the family would be shot." This is what is called in Punjab the "Khalistan tax," and it applies to prosperous Sikhs as well.

Terrorism and banditry frequently go together. The Khalistanis indiscriminately recruit their henchmen from unemployed students, religious fanatics, former Communists, ex-soldiers--there are 100,000 young retired soldiers in the Punjab army--and traffickers of all kinds. Black marketeering and trading in arms, alcohol, and heroin have always thrived along the Pakistani border. "It is not only in Pakistan's interest to have Punjab unstable," according to Julio Francis Ribeiro, the new strongman and police chief of the State, "but it is also in the interest of smugglers and criminals of all kinds."

Some crimes attributed to terrorism are nothing more than the execution of "contracts." As a Sikh businessman explained: "Up to the time the Khalistanis were evicted from the Golden Temple, one only had to go see them and tell them: Look, I have a Hindu competitor who is giving me trouble; I will offer 20,000 rupees to the cause if you will get rid of him for me." The practice, which was already current in the time of Bhindranwale, the "great priest" of the secessionists killed in the temple by the army in June 1984, has been taken up by his young turbaned heirs.

But precisely how many of these "Khalistani fanatics" are there? Two thousand, three thousand? Nobody knows. One thing is certain, however, acknowledges Mr Ribeiro, who has drawn up a list of 100 "men to shoot": "They are determined, well trained, and well armed." India periodically accuses Pakistan of giving them support, but it has never come up with irrefutable evidence. "In any case, the roots of the problem are in Punjab," a local professor believes, "and the Khalistani cancer even spreads to the police sometimes." Over 100 policemen, including officers, were recently fired from their jobs and even taken to court following the purge launched by Mr Ribeiro.

"Blue Star"

Some of them had closed their eyes to the terrorist machine-gunning, or had even given up their weapons too easily. Others were hiding wanted men in their homes, or were harboring Khalistani ideas. The police intelligence services estimate that 30 or 40 deserters went over to the enemy. These policemen are added to the Sikh soldiers who rebelled after the "Blue Star" operation, (Footnote 3) (Code name for the military operation against the insurgents at the Golden Temple on 4 June 1984. In 72 hours of fighting, over 1,000 people died.) several dozen of whom have never been found.

Overall, the Punjabi police, numbering 34,000 men, 80 percent of whom are Sikhs, is not highly trusted by the people. And the predominantly Hindu paramilitary forces--Central Reserve Police (CRP) and Border Security Forces (BSF)--went from 18,000 to 25,000 men in 3 months.

Half of them are posted in the border areas alone. New jeeps linked by radio and automatic weapons have been distributed to them, replacing their old guns dating from the Indian war of independence and their prehistoric trucks. But that is not enough to calm the fears of the Hindus. "Why don't they give us arms?" asks Swami Hareesh Ashram, one of the founding

fathers of "Shi Sena," a tough organization created 3 years ago to defend the disciples of Vishnu against the disciples of Guru. And the "holy man," wearing a holster across his chest, accuses the local Punjabi government, dominated by a moderate Sikh party, of having "taken sides with terrorism." "The Army alone could put an end to the Hindu exodus," he adds.

The head minister of the State, Surjit Singh Barnala, still refuses to take this extreme measure, demanded by all the Hindu political parties in India. First of all because it would signify his personal failure--and also the failure of Rajiv Gandhi, who put him where he is to have the Sikh affair settled by a Sikh government. And secondly, and primarily, because Barnala, together with the chief of police, is convinced that the army would not succeed in doing away with the terrorists. "Look at what is happening in Ulster," Mr Ribeiro advises.

"At worst, it is possible that the Army with its brutal methods would induce more people to become Khalistanis," according to Judge Bains, a Sikh magistrate appointed by Barnala to determine the fate of the over 2,000 "suspects" locked up in several northern Indian jails for the past 2 years. Terrorism-repression-retaliations, this is the infernal cycle the most prosperous state in the Indian federation has been gradually caught up in. "Ninety percent of the so-called skirmishes during which young Sikhs have been killed by the army and police since the Blue Star operation were actually pure and simple executions," Judge Bains went on to say. "The ferocious repression of the security forces has largely contributed to the current escalation."

Today it is rare to find Sikhs who have not had a friend or relative arrested, mistreated, or even killed during the weeks following Blue Star. In a basically rural region, with a 70 percent illiteracy rate and given to hyperbole, it is not so much the truth that counts as legend. The one about "massacres of innocent Sikhs by the Army" is hard to kill. And the rumor to the effect that the Hindus acted as informers for the soldiers who wanted to "break the Sikhs" is rampant in the countryside.

In the end, only one thing is absolutely certain: Sikh terrorism and repression killed 115 people in March, 60 in April, 95 in May, and a dozen more in the first week of June, and it is not over....

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CSO: 4619/67

INDIA

HARASSED SINDHI, MURVA MUSLIMS FLEE TO INDIA

Bombay THE TIMES OF INDIA in English 27 Jun 86 p 6

[Text]

BHUJ, June 26.

DISCRIMINATION and harassment by the Punjabi Muslims led some of the Sindhi and Murva Muslims from the Hyderabad and Badin areas in Pakistan to flee to India.

This has been alleged by the Pakistanis who had settled illegally in the Kutch area. Many of them have been detected and deported but some who tried to re-enter have said in their statements to the different agencies that they were harassed by the Punjabi Muslims who dominated the forces and the police in the Sind.

The Pakistanis also said they wanted to permanently settle in the Kutch where they felt they had a better chance of survival and received better treatment.

Most of the illegal migrants are small, marginal farmers or rural artisans. Some who had been living in India for almost ten years, had ration cards and had also got their

names enrolled in the electoral rolls and had voted in the polls.

In the last decade, 987 Pakistanis were pushed back from the Kutch, but many managed to re-enter through land or sea routes. Some Pakistanis who were deported at sunset by the security forces surprisingly managed to re-enter the next morning.

Questioning of the illegal entrants has revealed that Pakistani members of a family from across the border till recently used to visit their friends and relatives in India freely to attend weddings and other family celebrations and return home after a couple of months.

Recently, six members of a family of Kotda village in the Khavda taluka were found staying in the village illegally for two months.

Mr. Lakhmir Alana Sama, the sarpanch of the Dhobana village, said marriages between the families of Sodha Rajputs of Badin in Pakistan and Kutch were common a few years back.

/9317

CSO: 4600/1932

INDIA

PAPERS REPORT ON DEVELOPMENTS IN MIZORAM

Rajiv Visit

Calcutta THE STATESMAN in English 10 Jul 86 pp 1, 9

[Article by Ashis Chakrabarti]

[Text] Aizawl, July 9--Mr Rajiv Gandhi today warned that if there was fresh violence in Mizoram despite the signing of the peace accord, the Government would not hesitate to come down on it with a "heavy hand." He made it clear that the Government would not tolerate any more violence in the State. By signing the memorandum of settlement, "we have not placed a premium on violence," he said while addressing a large public meeting in Assam Rifles Ground here today.

He said that the settlement was not possible so long as there was violence. It could be reached only when violence had stopped. The lesson, according to him, was that no one gained anything extra by violence. On the other hand, the price people had to pay was very heavy. The same was true wherever violence was used as a "political tool" in any part of the country. Violence, he said, slowed down the "legitimate" political process.

He assured the people that the Congress(I) Government at the Centre or in the State would try its best to implement the accord within the time schedule laid down in the memorandum of agreement. It required "integrity, substantial courage and a logical sequence of steps" for all the parties to implement the settlement. From our side none of these will be lacking." The settlement, he hoped, would end the two-decade-old insurgency in the State.

First Steps

For the implementation of the accord, the Prime Minister said, the first steps were the surrender of arms and the coming overground of MNA people. "There can be no slowing down of the process or any compromise on peace," he said. The process, he emphasized, must be completed as expeditiously as possible within the time frame laid down in the agreement.

Only after that the next step--the holding of the election--will be considered along with the expansion of the Assembly, the institution of an official language and the setting up of a High Court for the State. "If Mizoram is to get Statehood, the first steps will have to be completed soon," he added.

The Prime Minister, accompanied by his wife, Sonia, and two children, arrived here in the morning to a colourful welcome. Schoolchildren in bright attire sang as the Prime Minister in a grey suit and a Mizo cane cap and Sonia in a multi-coloured "ghagra" got down from a helicopter at Tuirial airfield, 25 km from here at about 10 a.m. Mrs Sonia Gandhi later changed to a traditional Mizo dress.

The Prime Minister was accompanied from Silchar, where he arrived from Delhi earlier in the morning, by Mr H.S. Dubey, Lt Governor of Mizoram. At the airfield, Mr Gandhi and his wife were received by Mr Lalthanhawla, Chief Minister of Mizoram, Major-General B.S. Dagar and other dignitaries.

At a brief cultural show at the airfield, schoolchildren presented two traditional Mizo dance numbers. The road from the airfield to the Raj Niwas was lined by colourfully attired people waving the Congress(I) flag. Halfway through the journey the Prime Minister and his wife got down from their car and rode in an open jeep waving to the crowd.

Addressing the meeting, the Prime Minister appreciated the "sacrifices" made by the Chief Minister, Mr Lalthanhawla and other State Congress(I) leaders to make the accord possible. Mr Gandhi regretted that the State's economy had suffered because of insurgency. Now that peace has dawned, he hoped that the economy would be revived. The Centre had increased the funds for Mizoram to a large extent, he said. The per capita expenditure for Mizoram in 1986-87 was Rs 950 against a national average of Rs 250. In the Seventh Plan, the State Plan expenditure has been doubled.

Agriculture

The Prime Minister announced that the Government would give a new thrust to agriculture in the State to help improve the lot of the poor. He promised fertilizer, seeds, machines and other help to bring about a "green revolution" in the State. But "you will have to make some changes in your methods," he told the gathering, because "jhoom" cultivation was uneconomical as well as damaging for the environment. A new land use policy would be introduced in the State.

The Planning Commission would soon come out with a package of new agricultural methods for the entire country, he said. In the next few weeks, a Central team would tour different parts of the State to study the problems of agriculture.

The memorandum of settlement has ensured the rights of the minorities in Mizoram. The autonomous district council will continue to exist, the Prime Minister said. The cultural heritage of Mizos and the minorities will be preserved. The Prime Minister announced that a sub-centre for the North-Eastern Zonal Cultural Council would be set up in Aizawl. The Civil Aviation Ministry was looking into the question of building an airport in the State and increasing the Vayudoot flights here.

Addressing the meeting, the Chief Minister, Mr Lalthanhawla, said that the accord between the Government of India and the MNF was a "symbol of mutual trust and mutual desire for peace." He also appreciated the role of church leaders and security forces in bringing about the settlement. He hoped that now economic backwardness would be replaced by a "new era of peace and prosperity."

PTI adds: Mr Gandhi likened the Mizoram accord to a "bird's nest." He told the public meeting at Aizawl: "A settlement like this is made possible by putting together lots and lots of large pieces. And like a bird's nest it holds together if all the pieces remain intact. If you start unravelling the strands, it would be difficult for it to stick together."

A State dinner to be hosted by the Lt Governor of Mizoram, Mr H.S. Dubey, in honour of the Prime Minister and a cultural programme scheduled for this evening were cancelled because of the death of Mr Chandra Sekhar Singh.

Our Correspondent adds from Shillong: The existing political parties in Mizoram, mainly the ruling Congress(I) and the People's Conference, are fearing a major exodus of party members who are likely to join the Mizo National Front party, led by the Chief Minister designate, Mr Laldenga.

Mr Laldenga has reportedly made it clear that he would not join the Congress(I) and his MNF party would be able to capture power in the coming election. Political observers here maintain that the exodus of party members may begin soon after Mr Laldenga formally floats his new party.

The Mizoram Finance Minister told reporters that the exodus of party members could not be ruled out. He said new Ministry would include four members from the Congress(I). The Centre has sanctioned Rs 30 lakhs for initial rehabilitation works.

Calcutta THE TELEGRAPH in English 12 Jul 86 p 7

[Text]

New Delhi, July 11 (UNI): Mr Laldenga has conveyed in writing to the Union home ministry the amendments to the Mizo National Front's constitution.

Disclosing the features of the amended constitution, Mr Laldenga said, "the constitution of provisional government of Mizoram has been discarded and declaration of independence has been abrogated and set aside."

The main aims and objects of the new constitution are:

- To protect, and preserve the cultural, social and linguistic identity of Mizo people and
- Re-unification of Mizo people under administrative unit within the Constitution of India.

The provision to safeguard Christianity has been deleted and amended to give the MNF constitution a more secular character in tune with the national outlook.

Mr Laldenga expressed confidence that the accord would be implemented in letter and spirit. To ensure this, Mr Laldenga has

given up his plans for the time-being to go to London to wind up his establishment-in-exile. He feels that his presence here at this crucial juncture is necessary to see that the accord is implemented "without any hitch."

Mr Laldenga said there would be no change in the schedule for the installation of the MNF-Congress(I) coalition government on August 12.

He expected the process of laying down of arms by the underground Mizos to be over by the end of this month. Parva, Marpara and Aizawl are the centres for the laying down of arms.

The erstwhile Mizo National army chief, Tony Tawnluia, will supervise the laying down of arms in these places. Mr Tawnluia assisted Mr Laldenga in the peace talks in Delhi.

The MNF chief said the Prime Minister, Mr Rajiv Gandhi's visit to Mizoram will give new hope to the Mizos as he is the architect of the accord.

Current Situation Reviewed

Bombay THE TIMES OF INDIA in English 12 Jul 86 p 20

[Article by Seema Guha]

[Text]

AIZAWL, July 11.

THE political situation in Mizoram is currently in a state of flux. The general euphoria about the accord has, for the time being, eclipsed all other considerations.

Mizos all over are rejoicing the return of peace to their strife-torn land.

Political equations in Mizoram will undergo a drastic transformation as an aftermath of the accord. The Congress party, come to power during the 1984 elections, with the promise of initiating discussions between the MNF and the Central government. The party was aided by the underground during the elections. Now it will find itself pitted against its one-time ally in the polls which are scheduled to be held six months from now.

Already the strain of finally stepping down and handing the chief ministership to Mr. Laldenga is showing on Mr. Lalthanbawia. In public appearances he has put on a brave front and repeated that was willing to step down in the interest of solving the Mizo embroglio. Mr. Lalthanbawia and his cabinet colleagues are now, however, rather apprehensive of what the future has in store for them.

As interim chief minister, Mr. Laldenga, will be in a position to make full use of the government machinery for political ends though the cabinet will have five Congress ministers and four MNF representatives.

CHARISMATIC LEADER

A charismatic nationalist leader like the MNF leader will get abundant support from the bureaucracy and the police. Apart from protest, the Congress can do little about the enthusiasm and support he will initially be able to muster. Also recent events have shown that Mr. Laldenga will continue to bitterly attack the present chief minister notwithstanding his role in the solution of the Mizo problem.

The current Mizoram tour by the Prime Minister, Mr. Rajiv Gandhi, has by all accounts been a grand success. Yet it is doubtful whether when it comes to the crux this enthusiasm will be converted into votes for the Congress. As the secretary of the information office of the MNF, Mr. Aithanga, pointed out "we are happy to have the Prime Minister in our land in his personal capacity as Mizos have always had regard for the Gandhi family. This, however, does not mean that our people are with his party".

MNF supporters feel that while the Congress government both at the Centre and in the state have helped in bringing about a settlement, it is the MNF which embodies the true spirit of Mizo nationalism as such. When it comes to the elections the people, by and large, remembering the sacrifices of the MNF for their cause will come out in large numbers to give their mandate to Mr. Laldenga.

NO CAKE-WALK

However, it is certain that the MNF, after it converts itself into a political party, may not have a cake-walk. Besides the Congress, the People's Conference of Brig. Sailo is determined to give a tough fight to the MNF. Relations between the PCC and the MNF have always been strained and Mr. Sailo will begin his campaign against Mr. Laldenga soon after the MNF converts itself into a political party.

The main thrust of People's Conference will be to point out that Mr. Laldenga, after 20 years of fighting, could not get any concessions from the Centre. Mr. Laldenga has brought statehood to Mizoram by resorting to armed struggle, and the sacrifice of hundreds of thousands of lives.

After years of fighting Mr. Laldenga could get nothing more for his people than what the constitution allowed for all Indian citizens. At the moment Brig. Sailo will not directly attack the MNF for fear of being misunderstood by the people. However, the sitting MP, Mr. Lalduhawa, who broke away from the Congress in March this year, has no qualms of being misunderstood.

Mr. Lalduhawa, a former IPS officer, who joined the Congress in 1984 before the election, left the party because he felt that the chief minister and his colleagues hindered the negotiations by refusing to step down from power.

According to the sitting MP, it was he who initiated the negotiations between Mr. Laldenga and the Centre believing that the Congress was serious about bringing peace to the land. However, on assuming power the chief minister changed his stance when the Central leaders, including the Prime Minister, asked him to step down.

Mr. Lalihanhawla repeatedly emphasised that stepping down from the chief ministership would adversely affect the prospects of the Congress. According to Mr. Lalduhawa, it was pressure from him and his followers that led to the accord.

It is now very difficult to foresee the future turn of Mizo politics. Much will depend on how Mr. Laldenga functions during the six months of the interim government. Political observers here believe that after the present enthusiasm is over, Mr. Laldenga will be judged by the way he functions. By that time, much of the glamour associated with him will also wear off as a state government employee put it "Mr. Laldenga in London and Mr. Laldenga in Delhi is all very well. But Mr. Laldenga in Aizawl will be an entirely different proposition."

At present, the MNF leader is riding a wave of popularity. Cassettes of his speeches in Mizoram, are being sold for Rs. 30 each and are being snatched up all over. The next six months will be crucial for Mizoram and may throw up a number of surprises.

INDIA

BRIEFS

PETROLEUM MINISTER DIES--July 9--The Union Minister of State for Petroleum, Mr Chandra Shekhar Singh, died of cancer at the All India Institute of Medical Sciences in New Delhi at 9.40 a.m. on Wednesday. He was 59. Mr Chandra Shekhar Singh is survived by his wife, Mrs Manorama Singh (former Congress-I MP from Banka), two sons and a daughter. His body was flown to Patna this evening for cremation at his ancestral village, Mellepur, In Monghyr district on Thursday. From Patna, the body will be taken in a special train to Mallepur. Mr Chandra Shekhar Singh was flown to New York, USA for treatment on June 25. But he remained there only until June 28 and returned to India the next day. He was admitted to the All India Institute of Medical Sciences on June 29. His condition was so serious that he had to be taken to the institute straight from the airport, according to members of his family. Among those who visited his 15 Ashoka Road residence in New Delhi to pay homage were the President, Giani Zail Singh; the Home Minister, Mr Buta Singh; the Union Minister for Urban Development, Mr Abdul Ghafoor; the Union Minister of State for Public Enterprises, Mr K.K. Tiwari and the Lieutenant-Governor of Delhi, Mr H.L. Kapur. All offices of the Petroleum Ministry were closed on Wednesday as a mark of respect to the memory of Mr Chandra Shekhar Singh and the national flag flew at half mast in the capital. [Excerpt] [Calcutta THE STATESMAN in English 10 Jul 86 p 1] /9317

CSO: 4600/1956

IRAN

DETAILS OF ECONOMIC DISCUSSIONS WITH USSR, TURKEY ANNOUNCED

Tehran KEYHAN in Persian 19 Jun 86 p 1, 18

[Text] Economic Service--Our country's minister of heavy industries, who is currently in Turkey as head of an economic-industrial delegation, last night called on Turgut Ozal, prime minister of Turkey and presented a written message from Mir Hoseyn Musavi, prime minister of the Islamic Republic of Iran.

According to this report, during the meeting which lasted more than an hour, Engineer Behzad Nabavi, minister of heavy industries imparted the latest developments of the imposed war and also the results of the negotiations of the Iranian delegation which had travelled to Turkey. The prime minister of Turkey while expressing his happiness at meeting the head of the Iranian economic delegation, asked Engineer Behzad Nabavi to impart his sincerity and friendship to the president and prime minister of the Islamic Republic of Iran.

While emphasizing the importance of economic and industrial cooperation between the two countries of Iran and Turkey, the Turkish prime minister made favorable remarks about the possibility of re-establishing air travel between Turkey and Iran.

Continuation of Negotiations

Yesterday afternoon, Engineer Behzad Nabavi met with Mostafa Titiz, minister of state of Turkey and discussed the results of the decisions of the two countries' economic delegations with him. At this meeting it was decided, with due consideration to the possibilities of the Islamic Republic of Iran in the area of production and sale of heavy machinery, that the Turkish government would provide proper accommodation [facilitating means] in order to allow Iran to participate in the bidding process on contracts in Turkey.

Likewise, it was determined that a joint commission composed of the officials of the ministries of both sides would be formed within the next two months to discuss the issue of transportation between the two countries.

At this meeting, Mostafa Titiz announced that the Turkish government will provide the necessary facilitating means for Iran to buy sugar from Turkey. Similarly, as regards Turkish cooperation with Iran for the purpose of facilitating the export of Iranian fruits and vegetables to other countries, it was decided that Turkey will buy the said products in bulk from Iran and export them to other countries.

Gas Trunk Line

Yesterday Engineer Behzad Nabavi met with Kazim Oksay, minister of state of Turkey and talked about various economic issues such as the possibility for the construction of a gas trunk line from Iran to Turkey.

At this meeting it was determined that during the next month the representatives from both countries would meet and decide on the framework of the agreement. Similarly, it was decided that within the next three months the economic feasibility of the said plan would be investigated accordingly.

According to this report, last night at the dinner reception which was held at the Embassy of the Islamic Republic of Iran in Turkey, Mostafa Titiz in a statement noted that through recent negotiations by both sides it was proven that one can overcome all the difficulties by hard work and good-will and thus keep the volume of commercial trade between the two countries at a satisfactory level.

Moreover, while pointing to the worldwide oil price reduction and its unfavorable effect on the economic situation of the region's countries, he said: The negotiations by both sides eliminated this unfavorable effect and demonstrated that we can resolve our problems and increase the volume of our trade to the level which was predicted in the relevant protocol of 1986.

In a like manner, Engineer Behzad Nabavi in a statement while acknowledging his satisfaction from the results of the meetings of both sides, stated: All the technical and economic negotiations are progressing in the best possible form and so far they have been very fruitful. He further added: The revision and the pertinent amendment which has been included in the memorandum of understanding has qualitatively promoted the economic relations of the two countries to a high level and the relevant figures pertaining to the export of non-oil commodities of Iran to Turkey or other countries through this country are quite unbelievable.

We are quite certain that the same way that we were able to execute the previous protocol, we will likewise be successful in repeating the performance this year too.

12719

CSO: 4640/403

IRAN

RESUMPTION OF COOPERATION WITH USSR ANNOUNCED

Tehran KEYHAN in Persian 19 Jun 86 p 18

[Text] Economic Service--Following the visit of a team of Soviet experts to Iran it was announced that the 10th Russo-Iranian Permanent Economic Cooperation Commission, headed by the economic ministers of the two countries, will be held in Tehran after a suspension of six years.

According to a report of the Public Relations Office of the Ministry of Economic Affairs and Finance, Dr Afjeh'i, deputy minister of economic and international affairs of this ministry in an interview discussed the results of the visit of the Soviet economic delegation to Iran. He said that the abovementioned task force while holding several meetings with the relevant officials of our country also conducted negotiations in the four specialized committees [power, industry, mines, transportation and commerce] and at the end of the negotiations pertinent accords were signed between the directors-general of the two countries.

Dr Afjeh'i went on to add: It was decided that after the approval of the provisions of the above-stated agreements by the relevant authorities of both countries they could be used as the blueprint for the 10th session of the ministers of economy of the two countries which is scheduled to be held in Tehran by the end of 1986.

Furthermore, he said: For the resumption of work on the power stations of Martyr Motahari in Esfahan, Varamin and Ahwaz it was decided to start the negotiations in the beginning of August in Moscow. Similarly, the issues pertaining to the completion of the first phase expansion of the Esfahan Steel Mills with an annual capacity of 1.9 million tons of steel, are to be discussed on the level of expertise and technical know-how both in Tehran and Moscow.

In addition to the above, other issues such as the expansion and resumption of work on the Prefabricated Homes Factory of Iran and the Arak Machinery Plant, expansion of commercial relations, particularly expansion of land, air and sea transportation between the two countries, resolving of the existing impediments in the area of our trade, rial computation [accounts] and other common technical and economic issues of interest to both sides were discussed.

One of the points of agreement between the two delegations was the draft for the joint cooperation of the two countries for the construction of Khoda Afarin's water and power installations and that of Diz Qalehsi on the Aras border river.

Moreover, the deputy minister of economic and international affairs of the Ministry of Economic Affairs and Finance also announced that both sides have agreed that the long-term agreement for the exchange of commodities between the two countries be renewed until 11/1/1366 [February 1968]. Additionally, other issues such as the expansion of economic cooperation in the area of joint shipping in the Caspian Sea, cooperation in the field of agriculture, exchange of information and experts on agricultural issues, fishery and stockbreeding comprised some of the suggestions which were discussed.

Here it should be noted that the team of Soviet experts headed by Yagobov was in Tehran from 11 to 17 of June.

12719

CSO: 4640/403

IRAN

TRADE EXPANSION WITH GDR EXAMINED

Tehran JOMHURI-YE ESLAMI in Persian 12 Jun 86 p 2

[Text] Engineer Gholamreza Shafe'i, our country's Minister of Industries, went to the Democratic Republic of Germany yesterday afternoon (Monday) at the head of a delegation.

He said that the goals of this trip are to participate in meetings of the Iran-Democratic Republic of Germany Joint Economic Commission. He announced: This meeting is being held to follow up on the implementation of the protocol signed last year between the two countries, as well as to assess and anticipate, and finally to study the possibility of expanding relations between the two countries, which will be part of the protocol to be signed for 1365 [21 Mar 1986 - 20 Mar 1987].

According to the Minister of Industries, the volume of trade between the two countries in 1364 [21 Mar 1985 - 20 Mar 1986], based on the protocol signed the previous year, should be more than 250 million dollars. Last year Iran's imports from the East Germany was 87.7 million dollars, and about 100 million dollars in oil were exported to that country. Likewise, last year non-petroleum exports to East Germany made up 16 percent of the total.

He said that Iran's non-petroleum exports to the Democratic Republic of Germany in 1364 [21 Mar 1985 - 20 Mar 1986] were chiefly edible fruits, skins, citrus fruits, melon rinds, and similar items (52.62 percent), copper (31.4 percent), seeds and oil-bearing fruits (8.04 percent), knotted carpets and rugs (2.06 percent). He said: Our imports in 1364 were chiefly machinery and mechanical implements and parts (37.6 percent), cast iron, iron, and steel (27.5 percent), machinery and electrical equipment (16 percent), and butter, plastic products, photographic supplies and other chemical and industrial products. The Minister of Industries noted: The volume of economic exchanges between the two countries was extremely limited before the revolution, so that the average level of exports from Iran to the democratic republic was 1.72 million dollars. Now, since the Islamic revolution, our average annual exports to East Germany total 66.4 million dollars.

He added: One of the very important items of exchange between the two countries is oil, which made up 84 percent of Iran's exports to that country last year. In view of the low world price for oil, clearly our ability to purchase goods has also declined. Accordingly, if we wish to keep the volume of trade and relations at a high level, naturally we must either increase the export of non-petroleum goods or increase the volume of oil exported to this country. Therefore, on this trip efforts will be made to find the necessary ways and make the necessary arrangements to maintain the level of trade and sometimes to increase it.

In conclusion Engineer Shafe'i discussed the matter of industrial cooperation between the two countries. He said: Industrial cooperation chiefly occurs in two areas. One has to do with existing industries in our country, which need raw materials whose procurement from this country is important. The other area has to do with the industries being created in our country, and in this regard we will also make use of the resources of the Democratic Republic of Germany.

9310

CSO: 4640/409

IRAN

INTELLIGENCE MINISTER STAKS AGAINST FORMATION OF MINI-GROUPS

Tehran KEYHAN in Persian 19 Jun 86 p 18

[Text] Khorramabad--KEYHAN correspondent: The minister of information together with some of his deputies, in order to inspect the General Information Office of the Lorestan Province arrived in Khorramabad and were welcomed by the responsible officials of the province.

According to our correspondent's report, the minister of information and his accompanying party after a visit and talks with the society of the clerics participated in a meeting of the Administrative and Security Council of the Lorestan Province which was attended by Jahromi, governor-general and other members of this council.

At this meeting, the governor-general of Lorestan made some statements regarding the role of the people of the region in quelling the mini-groups. Thereafter, the minister of information while pointing to a narrative from the prophet Mohammad [may God send upon him greetings and peace], stated: The most important duty of the officials and government employees is serving the people and in an Islamic Republic system the people must benefit from the postures and moves of the responsible officials.

While explaining the situation of the intelligence system at the beginning of the revolution, he said: At that time there were some individuals who did not believe in an intelligence system for the Islamic Republic and thought it would be nothing except a wasteful undertaking.

Hojjat ol-Eslam Reyshahri went on to say: The significance of an intelligence system for a government is like the nervous system in the body, if this nervous harmonization happens to be in the body of a pious man it will be used in the service of faith and if it happens to be in the body of an infidel it will thus be utilized to serve blasphemy. While addressing the responsible officials who are in charge of the various departments, he said: The thing which gives birth to a mini-group is nothing but people's dissatisfaction, and counterrevolutionary elements of such mini-groups get their nourishment from people's discontent. And even in certain cases they make every effort to create artificial dissatisfaction since their growth and survival depends on people's disgruntlement.

The minister of information further added: A person who sacrifices his dear offspring for the survival of the Islamic Republic will not become discontent

with the government for want of bread and butter and generally people are not disgruntled as a result of shortcoming or dearth of some necessities. What really makes the people discontent is nothing but discrimination, unnecessary dawdling and dallying, red tape and improper and untoward attitude of some of the responsible officials and employees of the various departments.

At the end of his speech, the minister of information explained the duties of his ministry and said: The first and foremost duty of the intelligence system of the country is to forestall or prevent the growth of the mini-groups and at the present time in the Ministry of Information more attention is being paid to the formation of organizations which prevent the birth and growth of the mini-groups rather than the organizations which are intended to encounter such groups.

12719

CSO: 4640/403

IRAN

FADLALLAH VIEWS CAUSE OF DIFFICULTIES IN BEIRUT

Tehran JOMHURI-YE ESLAMI in Persian 11 Jun 86 p 3

[Text] On the occasion of the joyous Feast of the Sacrifice, Lebanese Muslims took part in holiday prayer services held throughout this country and celebrated this divine tradition. The ISLAMIC REPUBLIC NEWS AGENCY reports that at the Feast of the Sacrifice prayer held at Imam Reza Mosque (Peace Be Upon Him) in south Beirut 'Alameh Fadhlallah gave a sermon in which he discussed the plots world imperialism is using to divert Muslims from their sacred divine goals. He stressed the necessity for awareness of the enemy's plots and said that Islamic unity is the basis for the success of Muslims. He said that the Zionist regime of Israel is the cause of all the problems of Muslims in the area. He said: We must dedicate this time to the memory of the combatants of Islam at the fronts of the war imposed on the Islamic Republic of Iran, as well as the Mojahedin of Lebanon's Mount 'Amil fighting Zionism. We must make them a model for standing steadfastly against all plots, for they have astonished the world with this will. He also characterized Lebanon's internal wars as part of imperialism's imposed war on the Muslim people, whose aim is to divert Muslims from the true struggle and to protect the regime occupying Jerusalem. He added: We will never accept solutions that impose a new war on us every ten years. That peace being discussed by the Maronite politicians of Lebanon is nothing more than a renewed quest for domination of this country by the agents of imperialism. Likewise, 'Alameh Fadhlallah described the recent fighting in the Palestinian camps as part of plans that were carried out simultaneously against the people of Lebanon and Palestine. He stressed the necessity for ending the fighting, and added: Those who claim to be enemies of Israel cannot prove their claims by failing to launch an extensive battle against this aggressive regime which insists on slaughtering and murdering our innocent people every day. War in the homes of the people is nothing but a diversion from the true fight with Israel.

CSO: 4640/408

IRAN

MUSLIMS WORLDWIDE SAID TO GIVE 1.8 MILLION DOLLARS TO FRONTS

Tehran JOMHURI-YE ESLAMI in Persian 12 Jun 86 p 2

Mashhad—JOMHURI-YE ESLAMI correspondent—The seminar for province Red Crescent directors opened yesterday morning attended by the supervisor and general secretary of this society at the Red Crescent of Mashhad's assembly hall. Our correspondent reports that a number of province officials attended this seminar. After readings of several verses from the Glorious Koran and a recitation of the anthem of the Islamic republic by the anthem group from the Red Crescent Center for Islamic Youth Training, the governor-general of Khorasan gave a talk concerning the aspirations and goals of this organization. Then Dr Vahid Dastjerdi, Supervisor and General Secretary of this organization, welcomed the audience and discussed making this fine organizations as Islamic and popular as possible. He then discussed personnel increases, budget constraints, and other problems of the Red Crescent Society. During this seminar he spoke with news correspondents, mentioning the preparedness and the activities of the society's various units. He also discussed efforts to provide aid to needy African countries. He said: Late in the year 1363 [21 Mar 1984 - 20 Mar 1985] following a speech by Ayatollah al-'Ozma Montazeri concerning help for the hungry in Africa, the Red Crescent Society announced its readiness in this matter. Fortunately the people contributed more than 11 billion rials in cash and about 20,000 tons of food, and in 1364 [21 Mar 1985 - 20 Mar 1986] two ships carrying 5,000 and 9,000 tons of food were sent to African countries by this society. The same year eight tons of medicine were airlifted to Nigeria, Guinea, Sierra Leone, and Khartoum. This year (1365 [21 Mar 1986 - 20 Mar 1987]) 60 tons of dates and cloth were sent to Tanzania, Mozambique, and Dar al-Isiam. A ship with 5,000 tons of food will also soon be sent to Sudan and the Western Sahara. Such goods as medicine, ampules, and medical supplies will soon be sent to Tanzania and Africa. In the future we plan to build treatment centers for the deprived in several countries such as Tanzania, Zanzibar, Sierra Leone, and Nigeria. The General Secretary of the Red Crescent Society of Iran then added: Last year we also extended medical and food aid to Aden and Peshawar, Pakistan. One of our future goals is also to build a hospital in Bangalore, India.

He said: In Lebanon, in order to serve Imam Khomeyni Hospital of Ba'lbak supervised by the revolutionary guards and the Martyr Sadr Treatment Center at Zaynabiyeh, we have sent anesthesiologists and teams of surgeons in orthopedics, internal medicine, and pediatrics every month since 1363 [21 Mar 1984 - 20 Mar 1985], and they are providing good services daily to 200 to 300 persons in this hospital's various units.

In conclusion Dr Dastjerdi listed the services provided by this society's aides to the fronts and behind the lines. He said: Last year we sent 200 truckloads of food provided by the people as aid to the fronts. In addition to aid from the people within this country, the Muslim people of other countries also provided aid to the fronts through the Islamic republic's embassies in their

countries. Last year they donated more than 1.8 million dollars in cash aid to the fronts of the war of Truth against Falsehood. Our correspondent reports that the seminar will last three days, and when it ends, after a study of the seminar's conclusions and accomplishments, a resolution will be read.

9310
CSO: 4640/409

IRAN

RAFSANJANI URGES CUSTOMS OFFICIALS TO BETTER CONDUCT WITH PUBLIC

Tehran KEYHAN in Persian 23 Jun 86 p 2

[Text] The Chief of Customs, along with customs officials throughout the country, met yesterday afternoon with Majlis speaker Hojjat ol-Eslam Hashemi Rafsanjani.

During this meeting, the Majlis speaker gave a speech. He said: I am happy to meet with the brothers who have begun new efforts to solve one of the country's important problems. I believe that of all the reports and consultations I generally get on national issues, for some time the complaints and reports on customs have been decreasing.

What is behind this is definitely the active work you are doing in customs. These days, any management which succeeds makes administrative innovations, and the effects of what it does are not limited to the realm of its own work. They are imitated and encouraged by others.

This leadership and establishment of good traditions will gradually overtake the entire country. Certainly we have suffered losses so far due to delays in basic customs reforms. Those are the important gateways to our country, and you are the guardians for a great portion of the country's concerns. In a superficial analysis, it might appear damaging to the owners of goods for the goods to be held in customs, but they are businessmen in any case, seeking profits. In general they do not lose money. These losses, however, must be faced in some way by the people and even by customs employees, who must pay all of the losses out of their own pockets, and these losses touch their own families and children. When these are studied as a totality and their expenses and profits calculated, the aggregate shows a profit, and they take their profits from these very delays. Moreover, when a businessman meets with irresponsible actions on the part of the country's officials, he loses his own professional conscience and thinks everyone should act in this way. The danger and harm of unsound persons in government positions is so great that they can corrupt many people. Those who are bullied will transfer the same behavior elsewhere and take revenge in some way. This is the nature of affairs. If we try to do a better job of doing the people's work, to prevent pointless coming and going, and to keep goods from being delayed, this will be good, desirable, and a credit to the government. This is good work, and if we look at it from the point of view of income, it is also very desirable. An official may think, out of ignorance, or perhaps with good intentions, that harsh enforcement is the best way to do the government's work, but this actually hurts the system. Of course the law must not be violated, but the law's flexibility, as far as it goes, must be used and the people's work carried out. We must assign priorities in this, and ultimately this is the country's capital wealth that is lying dormant and vanishing. When the nation's capital wealth is lying dormant in the bank or anywhere else it is harmful, and customs has a basic role in this. If something remains in customs and spoils, it discourages those making use of it. You must help others, and solve this problem with the initiatives and methods you use.

If this project, meaning the initiatives mentioned by the customs chief involving making good experts by training college students, is carried out well, a basic task will have been performed.

The people of the Islamic republic expect managers and administrative and customs officials to treat them well. If a traveler encounters a bad scene immediately upon entering the country, the bitter taste of the experience will stay with him forever. Sometimes bad encounters make a person so angry that he draws a bad impression of the society from everyone he sees, and he thinks they are all the same. We have experienced these things. We have seen the effects of these encounters when we have gone to other countries. When they detained people at the country's points of entry without reason, we made judgements concerning it. Of course their harshness may have been due to political concerns, but a prejudgement was established in our mind that made us think officials in other sectors of that country such as the police and the urban officials are the same. Conversely, where they carried out the people's work more quickly it made another effect on our minds.

Continuing his remarks, Hojjat ol-Eslam Hashemi Rafsanjani added:

We commend you for this new movement, and consider it unfortunate that you did not begin sooner. We expect the other departments in your own ministry to learn from your example. The banks can also treat customers better. Now that they are operated by the government, they must not deal with customers in a worse way than they did when they were privately owned. They must strive to attract the people, using the media, the newspapers, and positive propaganda. You must all strive to do a better job. Our country's administrative system needs to operate in a way that will attract the people's attention and restore the public confidence that was lost under the former regime.

9310

CSO: 4640/410

IRAN

GOVERNMENT'S NEW ECONOMIC PROJECTS DETAILED

Tehran JOMHURI-YE ESLAMI in Persian 17 Jun 86 p 2

[Text] News Department—At a press conference yesterday morning Mr Mas'ud Zanjani, Minister of Plan and Budget, discussed the chief points and objectives of the government's new economic plan.

Our correspondent reports that the Minister of Plan and Budget discussed world imperialism's plot to reduce oil prices. He said: In its plot to reduce oil prices, world imperialism not only seeks to create problems with the effective administration of Iran's economy and the war, but it also seeks to transfer the economic problems of the industrial world (stagnation, unemployment, inflation) to the oil-rich nations, and to create the necessary stimuli for increased production, reduced unemployment, and arresting inflation in the Western block industrial nations, chiefly at the expense of the oil-rich nations. The power of the Islamic revolution of Iran, however, the unity of thought and action of the people and the government, and the rich manpower and natural resources of the country's economic system make it possible to confront this plot with proper planning and its effective implementation. In this way one may both prevent the realization of enemy plots and, using the new conditions, a serious new movement may be founded to cut dependence on petroleum income in the country's economic system.

Zanjani then discussed the economic characteristics of the countries of the region and of OPEC member countries, and the dependence of their economies on oil.

He said: OPEC member countries are around 95 percent dependent on oil to meet their foreign exchange needs. It is clear that dependence on one item to this degree means that the economic and political independence of these countries is contingent on a single market. There is a market where serious competitors for the export goods of these countries exist, including other producers of the same item and producers of substitute products (atomic energy, rock coal, and...), but the OPEC member countries themselves are potential competitors against one another in this market.

The Plan and Budget Minister, continuing his talk, discussed the necessity for new planning to meet new economic conditions. He said: Reductions in foreign exchange income of about 50 percent have brought the country up against economic and social problems, and in order to prevent these problems a special program has been prepared.

He stressed that we must make use of our current position to change our economic structure, which does not allow us full economic and commercial independence.

He added: With the planning that has been done, we can quickly pass through these conditions and move towards the aspirations of the Islamic revolution.

He discussed the conditions that will make it easy to implement the country's new economic plan. He said: This plan requires the unified hearts and action of the people.

He added: The centralization of decisive management, unity of direction, national resolve, and reliance on the people are the main elements of the country's new economic plan. Any policy that causes divisions and splits must be stopped so that a single direction will prevail in the implementation of the plan.

He added: Fortunately there are many favorable conditions for the success of this plan. Abundant natural and mineral resources, hard-working and skilled manpower, educational and productive capacity, as well as laudable traditions and skilled social organizations can guarantee victory for this plan.

He said: All of the country's capabilities have not yet been used, and significant income can be obtained from the country's non-petroleum resources.

The Plan and Budget Minister then discussed the chief points of the new economic plan. He said: The new plan's chief components provide for the procurement of all the country's defense needs. The people of Iran are assured that the government will not abandon the war under any circumstances.

The next goal, in view of the goals which have already been announced by society's leaders, is to give priority to the agricultural sector. We will increase its resources, because due to its lack of dependence, this sector will utilize a minimum of resources.

He stressed: The procurement of the primary necessities for the people's livelihood at fixed prices, and with a view to basic needs rather than false needs, is another of this plan's main features. Economic reform and changing the pattern of consumption in society are also part of this plan. He added: In the matter of war planning, the fronts will have top priority for all industrial, engineering, and service resources. In the agricultural sector, since our society cannot meet its basic needs abroad, the production of wheat, feed, rice, red and white meat, sugar, cotton, and grain will be given first priority. In the industrial sector, agricultural equipment will be given top priority. Reliance will be placed on the industries with maximum production. In this regard the pharmaceutical industries, the foundries, the cellulose, machinery and textile industries, and the use of electrical and water installations are especially important for agriculture, and the subject of their employment will also be considered.

He noted that unemployment is not expected to become a severe problem this year, and that the government will take steps to increase employment. Job transfers, the use of resources to prevent unemployment, and programs to support the unemployed are in the plan. He also said: Also under consideration are plans to send workers abroad and to rebuild used merchandise, and this opportunity will be used to give job promotions to specialists. He added: In the investment sector, priorities will be directed to production and employment. Concerning consumption, the Plan and Budget Minister said: Our society will move towards consuming only the goods it produces. Under the new plan consumption has been divided into primary and secondary sectors. The government will be required to procure items in the primary sector, and items in the secondary sector will be produced domestically. Under no circumstances will items not in the primary sector be authorized for import. Those factories whose products are neither in the primary nor the secondary sector will not operate, and their production lines will be changed. He added: A special pattern has also been established for housing so that a special class will not have all the resources for this purpose. The Plan and Budget Minister discussed foreign trade policy. He said:

Concerning oil exports, the government will continue to support price increases, and one of the crucial policies will be to export non-petroleum goods. The full use of agricultural export goods has been reconsidered, and in signed notes of mutual understanding to other countries the export of non-petroleum goods and a factorage policy are also under consideration. Concerning foreign exchange policy, the Plan and Budget Minister said: Under the new program the needed foreign exchange will be procured, and in the matter of foreign exchange for the service sector a policy of reduction will be implemented, and the export of services to other countries to obtain foreign exchange is also part of the plan.

Monetary policy will be geared to the volume of currency in circulation and directed to follow the overall direction of this plan. The Central Bank and the Ministry of Economic Affairs and Finance will be required to carry out that policy. He announced that this plan has been announced to the country's executive organizations, and that during the next month the government will announce its details. The Plan and Budget Minister discussed the changes in the budget enacted for 1365 [21 Mar 1986 - 20 Mar 1987]. He said: It is expected that 600 billion rials will be saved on all costs.

9310

CSO: 4640/408

IRAN

STATISTICS ON LARGE INDUSTRIAL FACTORIES ANNOUNCED

Tehran JOMHURI-YE ESLAMI in Persian 11 Jun 86 p 11

[Text] JOMHURI-YE ESLAMI News Department—In order to understand the country's industrial structure and to gain the appropriate information to plan industrial expansion and make economic policy, annual statistics on the country's major industrial factories beginning in the year 1351 [21 Mar 1972 - 20 Mar 1973] were taken by the Iran Statistics Center. The results of this project were printed in detailed publications entitled *Statistics on the Country's Major Industrial Factories*, *Statistics on the Country's Major Industrial Factories under Private Management*, *Statistics on the Country's Major Industrial Factories at Fixed and Current Prices*, and *Statistics on the Country's Major Industrial Factories According to Type of Goods—Consumer, Intermediate, and Investment*.

Yesterday afternoon Dr Majid Jamshidi, Chief of the Iran Statistics center, gave a press conference in which he announced the above. He added: In the year 1364 [21 Mar 1985 - 20 Mar 1986] the Iran Statistics Center, in carrying out the Major Factories Statistical Project, visited 7,500 major factories and collected information on their economic accomplishments for the year 1363 [21 Mar 1984 - 20 Mar 1985].

Statistics on the major industrial factories for the year 1363 [21 Mar 1984 - 20 Mar 1985] compared to the year 1362 [21 Mar 1983 - 20 Mar 1984] show that 97 percent of the factories active in 1362 remained active in 1363. Despite the reduction of the number of active factories, the work force in the industrial sector increased about five percent over the previous year.

The Chief of the Iran Statistics Center noted that based on statistics taken for 1363 [21 Mar 1984 - 20 Mar 1985], of all active major industrial factories, 86 percent are managed by the private sector, and 14 percent are managed by the public sector. He discussed the number of employees in the textile, clothing, leather, machinery, equipment, tool, metal products, and non-metallic ores industries, as well as the number of women employed in the industrial sector. He said: In the year 1363 593,000 persons were employed in all industries. Compared to the year 1362 [21 Mar 1983 - 20 Mar 1984] this figure represents a five percent increase, and it shows a ten percent increase over 1361 [21 Mar 1982 - 20 Mar 1983]. A study of the number of workers active in the various fields shows that the greatest number of workers (145,000, or 24.5 percent) is employed in the textiles, clothing and leather industries. The next largest number (145,000, or 23.8 percent) is employed in the machinery, equipment, tool, and metal products industries. In third place are the non-metallic ores (excepting oil products) and coal industries, with 97,000 workers, or 16.4 percent of the work force.

Likewise the number of women employed in the industrial sector is around 37,000 (6.2 percent of all workers). Most of them, meaning 10,700 of them (29.3 percent) are employed in the textile, clothing, and leather industries.

Our correspondent reports that Dr Jamshidi then compared the added value for the country's major industrial factories from 1361 [21 Mar 1982 - 20 Mar 1983] to 1363 [21 Mar 1984 - 20 Mar 1985]. He said: The added value of the country's major industrial factories at current prices was more than 1,020.1 billion rials in 1363. Each factory's share of this added value is thus more than 154.7 million rials.

A comparison of the added value for the last three years without adjusting for inflation shows that in 1363 [21 Mar 1984 - 20 Mar 1985] it increased 11 percent over 1362 [21 Mar 1983 - 20 Mar 1984] and 32 percent over 1361 [21 Mar 1982 - 20 Mar 1983].

Of the total added value created by the major industrial factories, 281.3 billion rials (27.6 percent) came from machinery, equipment, tools, and metal products industries, 219.7 billion rials (21.5 percent) came from the textile, clothing, and leather products industries, 139.5 billion rials (13.7 percent) came from non-metallic ore products industries, and 131.1 billion rials (12.8 percent) came from the food, beverages, and smoking materials industries.

A study of the distribution of added value by province shows that the greatest shares in the creation of added value belong to Tehran Province with about 446.2 billion rials (43.7 percent), Esfahan Province with 120.0 billion rials (11.8 percent) and Zanjan with 81.9 billion rials (8.0 percent).

In another portion of this interview, the Chief of the Iran Statistics Center discussed the amount of capital investment in the country's industries. He said: The amount of new investment in the country's industry is 106.6 billion rials. The average share of each factory in this investment is around 16.2 million rials. Likewise, new investments at current prices increased about five percent over 1362 [21 Mar 1983 - 20 Mar 1984] in 1363 [21 Mar 1984 - 20 Mar 1985], and about 33 percent over 1361 [21 Mar 1982 - 20 Mar 1983]. A comparison of per-factory investment in various fields shows that the highest average share, at 31.0 million rials, is in the basic metal products industries. The second highest average share is in the machinery, equipment, tools, and metal products industries at 30.6 million rials. The chemical industries have the third highest average share at 26.1 million rials. The same average figured by province ranks Zanjan Province first at 38.0 million rials, East Azarbaijan Province second at 35.1 million rials, and Khuzestan Province third at 30.9 million rials.

In 1363 [21 Mar 1984 - 20 Mar 1985] the wages and salaries paid to employees in the industrial sector totaled 561 billion rials. Wage-earners took 471 billion rials (84 percent) of this, salaried employees 90 billion rials (16 percent).

The annual average in per-employee wages and salaries for 1363 [21 Mar 1984 - 20 Mar 1985], not adjusted for inflation, was 946.1 thousand rials. This was an eight percent increase over the average for 1362 [21 Mar 1983 - 20 Mar 1984] and a 22 percent increase over the average for 1361 [21 Mar 1982 - 20 Mar 1983]. Likewise the lowest wages and salaries paid were in the Province of Sistan va Baluchestan, averaging around 555.5 thousand rials.

The average per-employee profit for the country's major industrial factories in 1363 [21 Mar 1984 - 20 Mar 1985] was about 1,719,400 rials, which is an increase of six percent over the year 1362 [21 Mar 1983 - 20 Mar 1984] and a 20 percent increase over the year 1361 [21 Mar 1982

- 20 Mar 1983]. He added: A study of the profitability of the major factories in various fields shows that in 1363 [21 Mar 1984 - 20 Mar 1985] the three most profitable industries, in descending order, were the chemical industries at 2,363,700 rials, paper and cardboard industries at 2,005,500 rials, and machinery, equipment, tools, and metal products industries at 2,995,700 rials. The lowest level of profitability was in the wood and wood products industries, at 1,074,100 rials.

By province, the three most profitable averages in descending order were Central Province at 2,226,500 rials, Zanjan Province at 1,922,500 rials, and Tehran Province at 1,893,100 rials. The lowest level of profitability by province was in Ilam Province at about 789,900 rials.

A study of the percent of the total value of raw materials taken by foreign raw materials consumed shows that 53.8 percent of the primary and raw materials consumed by factories are foreign. Compared to the previous year this represents a 0.4 percent decrease. Broken down by industrial field, for 1363 [21 Mar 1984 - 20 Mar 1985] the percent of raw materials obtained abroad in the machinery, equipment, tools, and metal products industries is 73.4 percent, it is 73.1 percent in the chemical industries, and in the basic metals production industries it is 63.5 percent.

He also said: In 1363 [21 Mar 1984 - 20 Mar 1985] the country's major industrial factories spent 344 billion rials in foreign exchange for investment and ongoing costs. This is a 35 percent increase over the year 1362 [21 Mar 1983 - 20 Mar 1984] and a 46 percent increase over 1361 [21 Mar 1982 - 20 Mar 1983].

A study of the distribution of foreign exchange consumed by the major industrial factories in 1363 [21 Mar 1984 - 20 Mar 1985] shows that of 344 billion rials 14 billion (four percent) was used for investment purposes, the remaining 330 billion (95.9 percent) for procuring raw and primary materials. A study of the breakdown of foreign exchange consumed in 1362 [21 Mar 1983 - 20 Mar 1984] reveals that in that year 10.5 percent of the total of 255 billion rials in foreign exchange consumed was used for investment purposes, while the remaining 89.5 percent was used to procure raw and primary materials. In other words, in 1363 the country's industries unfortunately spent more foreign exchange to meet expenses and less for investment than they did in 1362. Taken by industrial field, 54 percent of the foreign exchange allocated went to the machinery, equipment, and metal products industries, 16 percent went to the chemical industries, and ten percent went to the basic metals production industries. In conclusion, Jamshidi said: Changes in production for the country's major industrial factories in 1363 [21 Mar 1984 - 20 Mar 1985] compared to 1362 [21 Mar 1983 - 20 Mar 1984] shows that production increased over the previous year by about 11 percent for vegetable oil (liquid and shortening), one percent for sugar cubes and sugar, 13 percent for various kinds of cloth, eight percent for cardboard, five percent for liquid soaps and detergents, six percent for various kinds of home refrigerators, freezers, and refrigerator-freezers, 34 percent for water coolers, 37 percent for tires, inner tubes and transportation supplies, eight percent for passenger automobiles, 13 percent for cement, steel beams and sheet steel 13 percent, color televisions 12 percent, and 12 percent for washing machines. There were decreases in production from the previous year of 31 percent for caviar, three percent for butter, 12 percent for bar soap, two percent for various kinds of napkins, and three percent for various kinds of gas stoves.

9310

CSO: 4640/407

IRAN

NON-OIL EXPORTS EXPECTED TO REACH 700 MILLION DOLLARS

Tehran KEYHAN in Persian 29 Jun 86 p 18

[Text] Economic Service--During the months of Farvardin and Ordibehesht [21 March - 21 May 1986] of the current year, non-oil exports of the country experienced considerable growth.

According to the report of the Public Relations office of the Export Promotion Center of Iran, in the month of Farvardin [21 March - 20 April] of current year 2.4 billion rials worth of commodities were exported which is an increase of 96 percent over the same period of last year.

Similarly, in the month of Ordibehesht [21 April - 21 May] of the current year the total export of the country reached 43.8 tons with an equivalent value of 5.4 billion rials. In comparison to the same period of last year this figure shows a 13.5 percent increase in tonnage and about 73.5 percent increase in value.

According to the same report, the extraordinary increase in the export of fresh fruits, hand-woven woolen rugs and cooper bars during the month of Ordibehesht of the current year prompted to make the total tonnage of the country's export during the first two months of the year to 61.9 tons with an equivalent value of 7.8 billion rials. In comparison to the first two months of last year, this figure shows a one percent increase in tonnage and about 72 percent increase in value.

On the other hand, as a result of a reduction in the receipt of foreign exchange from oil export and the need for new sources of foreign exchange income from non-oil products export, many of the production units throughout the country have been encouraged to resort to export in order to meet their own foreign exchange needs.

It is expected that by the end of the current year non-oil exports of the country will exceed 700 million dollars.

12719
CSO: 4640/402

IRAN

NEW PROJECTS TO INCREASE NON-OIL EXPORTS ANNOUNCED

Tehran KEYHAN in Persian 29 Jun 86 p 18

[Text] Economic Service--The deputy director of the International Department of the Foundation for the Oppressed in a conversation with the correspondents explained about the new programs for the increase of non-oil products export, new sources of foreign exchange revenue for the government, assisting the export companies, the situation of the existing laws, formation of the export commission at the governors-general offices and participation of the people in the revolution of the non-oil export commodities.

According to the economic correspondent of KEYHAN, first the deputy director of the International Department of the Foundation for the Oppressed stated: The Foundation for the Oppressed feels that the need for non-oil export constitutes one of the vital economic principles of the country. It is for this reason that we have created the international deputyship office in the said foundation with three objectives: Exports, imports, training and educating the interested parties in the matter of export and import.

Following various plots by the world arrogance to bring the Islamic Republic of Iran to its knees, it has recently resorted to other stratagems such as the worldwide oil price reduction, decrease in the dollar value and also through the medium of the Ba'thist regime of Iraq, attacking the economic resources and establishments of Iran. Little do they realize that in addition to petroleum, contrary to the oil-producing countries of the region, the Islamic Republic of Iran has abundant and bountifull resources and it can neutralize the new plots of arrogance by exporting a portion of these resources.

Zabiri while pointing to the fact that the Foundation for the Oppressed, as a humanitarian organ, has realized the need for new means of export said: We have prepared special programs drawing upon our experiences in the areas of marketing, purchase and sale to foreign companies.

With due consideration to the availability of about 700 registered firms and 600 unregistered ones, and taking into account our experience with foreign sales agents, our first programs concern the matter of training our own private and government firms and organs and putting our experience at their disposal.

We can research the market for our export companies and through the sale and revenue of their export, purchase the necessary machinery and equipment at reasonable prices and put the same at their disposal.

Another of our programs pertains to our contact with various governors-general's offices and our proposal regarding the formation of Export Commissions in these offices. In some of our provinces throughout the country we have desirable or suitable items for export. For instance, in the Province of Khorrasan we have an abundant supply of cumin-seeds, saffron, barberries and varieties of plums which after resolving the issue of a proper packaging method, these items can very well be exported.

In a like manner, the above-stated commission can study the basic import needs of the people and thus set up a priority schedule for their import. In turn, we will provide all the necessary assistance and training for the members of these commissions.

Revolution in the Export of Goods

We went on to add: There are many areas for export open to the foundation; last year we exported the surplus cotton of the farmers, in a similar fashion we exported building stones to some Arabian countries in the region who previously used to import them from Italy, also we exported mineral waters, fresh and dried fruits. These are a portion of the export capability of the foundation. There are plenty of areas suitable for export and bringing in foreign exchange other than from oil, and it is only through a revolution in our export that we can realize these potentials.

Therefore with the formation of the new international affairs deputyship office of the Foundation of the Oppressed we are trying to centralize the work of our export policy and hereafter we will carry out all the export business based on relevant programs. Last year we formed the foundation's company for export products which had a positive effect on the increase of the production of export goods of the foundation.

Barter Trades

We further added: Recently we have conducted some negotiations on barter trades with several foreign firms, namely we will obtain technology and machinery from them and in turn exchange our products.

Regarding the existing import-export regulations and other hampering and cumbersome administrative rules, he said: It has been proven by experience that where people's presence were included in a project we have been successful; likewise, in the export revolution the extensive presence and cooperation of the people will be needed and it is this people's presence which can solve our problem with the import-export rules.

Regarding the world market and the share of Iranian goods in this market, he said: We have lost our share in the carpet export on the world market and we must try to regain our position. On the world market we have the share of pistachios and we ought to make an effort to increase its export--besides, we have some commodities which are unique in the world.

In conclusion, he added: In the matter of export our government can play the role of a leader, it can provide guidance and encourage people to participate. The government must draw upon the past export experiences, enact the necessary laws for the export revolution and the Foundation of the Oppressed as a tool in the hands of the government will be ready to provide the needed momentum in the process of non-oil exports.

Finally, he said: In the first quarter of the current year over 3,100 tons of cotton have been exported to West Germany through the commercial deputyship office of the foundation. The foreign exchange obtained from this transaction amounts to 2.5 million dollars. Similarly, during the same period close to six tons of apples were exported to Dubai and 20 tons of pistachios and 320 tons of red travertine were exported to Spain through the aforementioned office of the foundation.

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IRAQ

RAMADAN SAYS SYRIAN PIPELINE 'UNIMPORTANT'

London MIDDLE EASTERN ECONOMIC REVIEW in English 5 Jul 86 pp 9-10

[Text] Speculation that agreement to open the trans-Syrian pipeline would be reached with Damascus has been scotched by First Deputy Premier Taha Yassin Ramadan. "The export of oil through Syria does not serve our interests; we are now basing our policies on the assumption that there is no oil pipeline through Syria. The pipeline is no longer important because we are carrying out new pipeline projects in other countries which will meet our needs."

Ramadan also discussed the economy and the effect of the war in an interview with the Kuwait daily Arab Times. The economy, he said, "is affected by two factors: the war, and changes in the international economic situation. Oil forms 90 per cent of our resources, so we do suffer major losses when the price of oil collapses."

Ramadan admitted that during the first two years of the war, "we made no effort to run our country with a war economy."

But the government did launch a programme "to diversify our sources of income by developing the agricultural sector and building factories for both oil and non-oil based industries." Such development projects were "based on the

belief that what we build in the country are the real reserves of Iraq, not the dollars in the bank."

The subsequent economic pressures caused by the cost of the war and the fall in oil export revenue forced the government into economy measures which included convincing foreign firms carrying out 800 projects to defer payments.

"We hoped to balance things out this year, but the fall in oil prices and the value of the dollar has had a similar effect on us as the closure of the Syrian pipeline." The closure took place in April 1982, and cost Baghdad up to \$17 million a day in lost revenues.

"We have taken steps to cut back spending in all areas except on the war," Ramadan said. "Spending on our military programme and arms imports this year is higher than last year because we have to cope with the changing defence strategy."

"Since 1982 we have worked on the assumption that the war will continue," Ramadan said. However, he maintained that "we can still supply the basic requirements of our people and we have a strategic reserve of these supplies."

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KUWAIT

USSR FOREIGN TRADE BANK OFFICIAL TO DISCUSS ECONOMIC TIES

Kuwait AL-RA'Y AL-'AMM in Arabic 16 Jun 86 p 1

[Article: "A Soviet Trade Delegation Will Arrive in Kuwait Soon"]

[Text] The first vice-president of the Foreign Trade Bank in the Soviet Union, Mr [Kirashenko], arrives in Kuwait next Thursday at the head of a trade delegation, in response to an official invitation from the General Investment Authority.

During his visit the first vice-president will discuss trade and economic relations between the bank and Kuwaiti financial institutions as well as follow-up work concerning the economic cooperation agreement signed by Kuwait and the Soviet Union during the middle of November of last year.

An economic delegation headed by the vice-president of the board of the Petrochemicals Manufacturing Corporation, Mr Huwayn al-Jasim, visited Moscow last May.

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KUWAIT

FINANCIAL AID TO ARAB COUNTRIES CURBED

Kuwait AL-RA'Y AL-'AMM in Arabic 14 Jun 86 p 1

[Article by 'Abdallah al-Qaq: "Because of Their Budget Deficits, the Gulf Nations Will Not Commit Themselves to Provide Aid to Their Fellow-Arab Nations"]

[Text] Political sources close to AL-RA'Y AL-'AMM say that the foreign ministers of the GCC nations will not take into consideration any request for aid which might be made by some of the Arab nations, during the Arab foreign ministers' conference which will be held in Morocco next month, for the purpose of financing development projects or meeting the needs of fellow-Arab nations. This is said to be particularly the case during the critical circumstances of the present time when Kuwait is suffering a large financial deficit estimated as being 1.306 billion dinars, in addition to the reduction in petroleum production, the drop in oil prices, and the slump in commercial markets.

These sources indicated that the Gulf nations had already informed the Arab nations that their budgets would not include any aid for their fellow-Arab countries, particularly since the National Council has already refused to provide aid for these countries and for the PLO due to the current financial circumstances which are afflicting the region.

These sources informed AL-RA'Y AL-'AMM that the Gulf nations will continue to provide loans via the Gulf development funds. They said that such loans may be within very narrow limits because Kuwait, in its budget for this year, did not allocate the 30 million dinars which it had set aside for annual allocations. Loan transactions will be made merely on the basis of what the development fund receives in terms of profits from investments and loans which have recently already been provided to certain countries.

Although the Arab development funds were established in order to promote development in the Arab world, these funds now have begun to suffer a tangible deficit because of the drop in income from all sources which the Gulf nations receive. This has caused the Gulf nations to reexamine development projects in terms of how they are to be scheduled, which ones are to be given priority, and efforts to achieve overall coordination among the Gulf nations.

It is expected that officials of the Gulf development funds will meet in the near future in order to discuss these subjects which pertain to the policy of Arab development in light of recent international economic developments.

KUWAIT

WATCHDOG FUNCTION OF NATIONAL COUNCIL CONFIRMED

Kuwait AL-RA'Y AL-'AMM in Arabic 16 Jun 86 p 1

[Article by Ahmad Basha: "The Deputies Are Satisfied With the Constitutional Court's Decision"]

[Text] Parliamentary circles have expressed their satisfaction concerning the decision issued by the Constitutional Court supporting the right of the National Council to form committees to monitor the actions of the government or to authorize one of its members to investigate the actions taken by any government agency. The basis for this is Article 114 of the constitution. Parliamentary sources yesterday told AL-RA'Y AL-'AMM that the next step will be taken after the National Council is officially informed of the text of the Constitutional Court's decision and after there has been consultation between the head of the National Council, Mr Ahmad al-Sa'dun, and the National Council deputy Mr Hamad al-Jaw'an who was entrusted, by means of a decision by the National Council, with the task of reviewing the actions taken by the Central Bank vis-a-vis the al-Manakh crisis and the national banks from 1981 till the present day. It was this decision which impelled the government to appeal to the Constitutional Court to render a ruling concerning this matter, after which time Mr al-Jaw'an was to immediately begin performing the duties of the job assigned to him.

Sources have indicated that the government is responding favorably to the Constitutional Court's decision, and this position was expressed by the minister of finance and economy, Mr Jasim al-Khurafi, during last Saturday's session of the National Council. These sources also expressed their reassurance that Mr al-Jaw'an's mission will be successful now that the court has issued its decision and the government has responded favorably to it. They said that this is considered to be a positive indication of the constructive cooperation which exists between the legislative and executive branches of government and which has the objective of serving the nation and its citizens.

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KUWAIT

MINISTRY OF PETROLEUM IMPOSES NO REDUCTION IN LABOR FORCE

Kuwait AL-RA'Y AL-'AMM in Arabic 17 Jun 86 p 1

[Article by Ahmad Khilaf: "The Minister of Petroleum Says: 'No Lay Offs in the Petroleum Organization'"]

[Text] The minister of petroleum and industry, Shaykh 'Ali al-Khalifah al-'Adhbi, in a statement which he made to AL-RA'Y AL-'AMM, denied that there are any plans to lay off some of the employees working for the Kuwait Petroleum Organization.

He expressed his doubt that the current oil crisis, due to the drop in oil prices and the increase in supply, has affected, in any way, the level of employment at the Kuwait Petroleum Organization. He added: "There are no plans which might affect the size of the labor force in the Kuwait Petroleum Organization, and this is particularly true since we now are going through a stage of putting into operation new projects such as the ones involving the al-Ahmadi refinery and the Mina' 'Abdallah refinery. Consequently there will be no change in the level of the Kuwait Petroleum Organization's labor force."

In reply to AL-RA'Y AL-'AMM's question concerning the likelihood that the Kuwait Petroleum Organization would be reducing its budget by 15 percent, as the government's ministries are doing, Shaykh al-'Adhbi said: "The Kuwait Petroleum Organization is a commercial organization and is always making an effort to cut down on expenses and costs as much as possible since this is the only way to make profits and since we are operating in a strongly competitive market. Reduction of costs is an ever-continuing process and is something which cannot be limited to the 15 percent required by the government's ministries. Thus we take into consideration the Organization's plans for expansion involving the setting up of projects which represent additional revenues [in the future], but [initially] this involves an increase in costs. They [eventually] result in an increase in income which is greater than the increase in costs. The thing which concerns the minister of finance is net profits rather than the level of the costs as individual items."

The minister of petroleum and industry went on to say: "We are training Kuwaiti personnel, especially in the various petroleum-related technical

fields, both by means of training courses which they take before beginning their employment and by means of courses which they take while they are employed. Large amounts of money are spent on development. We will continue to focus all of our concern on the development of the work accomplished by the Kuwait Petroleum Organization."

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KUWAIT

FREE TRADE ZONE TO BE SET UP

Kuwait AL-RA'Y AL-'AMM in Arabic 17 Jun 86 p 1

[Article by Farhan al-Waqyan: "A Free Trade Zone in Kuwait, and Export Facilities and Protection for Domestic Products"]

[Text] An authoritative source assured AL-RA'Y AL-'AMM that the government will carry out a project to set up a free trade zone in accordance with a clearly-delineated concept of the guidelines necessary for foreign trade activity and for attempting to open up new marketing outlets for re-exporting activity--and this would help to achieve the objective of making Kuwait an important trade center and go-between area for international commercial transactions. Also, it was said that the government will work toward the achievement of an agreement among the GCC nations to coordinate efforts to subsidize locally-produced exports circulating among the GCC nations and to resist attempts at dumping [goods in the GCC nations] both by means of putting preventive measures into practice and imposing high customs duties on any products from nations or firms concerning which it is proven that they are utilizing unfair competitive practices.

The source added that the government will facilitate the procedures of clearing goods in the ports and customs stations and will encourage financial establishments to finance Kuwaiti exports since this is considered to be a productive activity.

The source went on to say that the government's orientation focuses on the taking of proper measures which would provide greater opportunities for Kuwaiti citizens--especially those who have recently entered the labor market--to effectively pursue their careers, exercise control over some of the traditions of the important commercial activities, and promote the spirit of competition among them.

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KUWAIT

GOALS OF 5-YEAR INFORMATION PLAN DISCUSSED

Kuwait AL-RA'Y AL-'AMM in Arabic 12 Jul 86 p 3

[Article: "Exposing International Assemblies to the Characteristics of Kuwaiti Society, and Deepening the Spiritual, Moral, and Religious Values"]

The development plan in the information sector includes a plan to develop information and to raise it to the level that will enable it to equip the citizens and residents with knowledge; to strengthen the different means of communication; to inform international society of the characteristics of Kuwaiti society, to gather and revive the folk heritage that connects the country's past with its present; to pay attention to and support the writing, translation, and publishing movement; and to encourage intellectual and literary output.

The general goals for this sector are set forth as follows:

1. Developing information and raising it to the level that will enable it to arm the citizens and residents with knowledge, and to provide them with information and factual news, with attention to the development of the information that will help solve the problems of growth in Kuwait. The plans and the expansion programs are discussed by subject, in a clear simple style that helps citizens understand the path of development, to realize its dimensions, and urges them to participate and to concentrate efforts, energies, and abilities to realize the national goals.
2. The strengthening of the various means of communication, coordination of their efforts to enlighten the citizens and to guide their understanding; the accentuation of the state's efforts and accomplishments for the sake of the country's progress and flowering; and their safety and stability so they will better understand the events that take place in society; and in the world around them; and will be better able to participate positively in realizing the good for themselves, their families, and their society.
3. Informing the international community on the characteristics of Kuwaiti society, its system of rule based on democracy, its consultative system, its belief in the nuclear family, its deeply-rooted cultural features, the scope of progress that it has realized in growth fields, and in building man and society. The most prominent Kuwaiti role is in the fields of regional, Arab, and international cooperation; its assistance to the Arab, Islamic, and the rest of the developing countries; and the support that Kuwait gives to the international organizations.

4. Deepening the spiritual, moral, and religious values; establishing the national customs and traditions, and the deep-rooted conventions with the citizens and residents; treating society's problems with what supports time-honored values and upright behavior; and to correct what has sullied our lives from inner societal phenomena that have affected the behavior and tendencies of some of its members.

5. Rounding up and reviving the folk heritage which relates to the country's past and its present. This heritage has begun to disappear because of the extraordinary changes in the population makeup of the country, and the domination of materialistic elements over citizens' life.

6. Preparing and developing specialized information frameworks and to make them available to media organizations, the Kuwait News Agency, and to cadres capable of extending to the citizens and residents new information and sound, enlightened awareness, motivating them unifying their ranks, and combining efforts to direct them toward morality and creativity.

7. Achieving cultural, intellectual, and artistic awakening, and continuing to support cultural and intellectual establishments and their development, so that they can carry out their positive role in the enrichment of the cultural, intellectual, and artistic life, and in the satisfaction of the citizens' and residents' mental, intellectual, cultural, and artistic needs, and in deepening their perception of national responsibility.

8. Paying attention to and supporting the writing, translation, and publishing activity, and encouraging intellectual, literary, and cultural output through which the country's cultural awakening is accomplished.

9. Upgrading the government and supplying it with modern technical elements and equipment that would enable it to meet the requirements of the government ministries and establishments for publications and to support the country's cultural activity.

10. Supporting the institutes of theatre arts and music and developing their curricula to enable them to carry out training and to polish the skills of the national elements capable of enriching the country's artistic, theatrical, cinematic, and musical activity.

11. Paying attention to nurturing the artistic, theatrical, painting, and music movement in the country, nurturing local capabilities talented in the various artistic fields, and encouraging local artistic production.

12. Developing the national theatre and allowing it to become a positive instrument of folk culture, a true mirror of life in society that expresses its nature and its pure origin, and that addresses its problems and issues and guides the life of citizens, their behavior, and their inclinations toward new horizons of development and progress.

13. Encouraging and promoting folklore troupes at the national and local levels, and extending to them the elements that would enable them to offer audiences colorful varieties of folk art, and improving their artistic quality.

14. Paying attention to the museums, antiquities, and exhibitions that give the visitors, citizens, and residents the opportunity to witness what progress Kuwait has realized in various fields, and to familiarize them with the cultural and Islamic heritage in Kuwaiti society.

15. Working towards realizing the quantitative goals by the end of the plan, in 1989-1990, in order to raise the level of this sector.

Policies and Procedures

1. Developing laws, and taking the necessary steps to fill the gap in the following areas:

A. The official newspaper: Appointing the authority that would be responsible for its publication, production, size, contents, price, subscription rate, and advertising rate.

B. The government press: Defining its duties, specializations, and the procedures according to which government publications are printed or are not allowed to be printed, and controlling the operation of publishing government publications in the press, or in the presses of the ministries and other official establishments.

C. Artistic literary works: Determining the authority that would be responsible for censorship, the literary works that are subject to censorship, the rules that govern the display, publication, circulation or ban of a work, and the authorities that are represented in the censorship, and the type and scope of punishment that would be set against violators in possession of banned publications.

D. Author's rights: Preserving the rights of the author and his protection from any attack against his intellectual output.

E. Archiving literary works: Issuing a law that would require a literary works to be archived in order to preserve the historical, literary, and scientific heritage of the state, to facilitate the task of researchers to study.

F. Radio and Television: Issuing a law that would regulate both radio and television and that would explain whether or not building private and commercial radio and television stations is allowed, or whether these two instruments would remain under the absolute control of the state.

2. Carrying out the necessary organization among the various organizations working in the fields of information, culture, and recreation to guard against duplication, interference, and inconsistency, and to realize integration and unity in fulfilling the needs of citizens and residents.

3. Improving the performance level and quality of the information, cultural, and recreational services, by supplying the artistic elements, human skills, and the necessary equipment.

4. Encouraging national participation in the implementation of and administration of the cultural services programs and projects such as libraries, artistic services such as theatres, and recreational services, such as parks.
5. Increasing radio and television programs in the field of educational information, to inform the citizen of the goals of the various development plans and the role of the citizen in the success of these plans.
6. Supporting and increasing local production in radio and television programs as a method whose aim is to explain the culture and heritage of Kuwait, and Arab Gulf, and the heritage of the Arab and Islamic nation.
7. Developing plans for special radio and television programs to present the accomplishments of the state of Kuwait in all the political, social, and economic achievements.
8. Supporting the country's cultural awakening by sponsoring seminars, conferences, cultural weeks, book and art exhibits; paying attention to culture; encouraging Arab writers to write, translate in pure Arabic in all the scientific, cultural, artistic, and literary fields; increasing support for local writers and artists; and pursuing an Arab and international dialogue in the field of culture.
9. Supporting the local press and increasing the number of magazines, periodicals, and enriching the public libraries with books and educational and cultural materials.
10. Continuing to support and sponsor the artistic movement in theatre, music, and the visual and folk arts; developing studies in specialized institutes in these fields; offering study grants to local artists; increasing methods of publication and information for artistic production; sponsoring artistic exhibitions for the various arts to encourage amateurs among citizens to polish their talents and develop their skills.
11. Supplying the government press with qualified artistic human resources that can deal efficiently with modern technical equipment, and following up censorship of publications and literary works which is in the general interest of the country.
12. Increasing archaeological excavations and increasing the museum's acquisitions, maintaining their assets, and establishing new museums to accompany the cultural awakening through which the country is passing.
13. Supporting efforts exerted to increase tourism and the level of tourist services in the country.
14. Supporting the Organization for Joint Programming of the Arab Gulf Countries by contributing to the production of radio and television programs connected with the environment, history, heritage, documents, and development efforts in the Arab Gulf region.

15. Focusing attention on raising the level of efficiency and improving the performance level of the workforce in the various information agencies, by paying more attention to training and by allowing a greater number of administrative and artistic employees to participate in the training programs that are held locally and abroad.

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KUWAIT

BANK DIRECTOR DISCUSSES HOUSING LOANS

Kuwait AL-RA'Y AL-'AMM in Arabic 14 Jul 86 p 5

[Article by Salim al-Shammari: "Director of Savings and Loan Bank to AL-RA'Y AL-'AMM: We are Undertaking a Complete Survey of the Bank's Projects and the Increase in Its Capital."]

[Text] The director general of the Savings and Loan Bank confirmed to AL-RA'Y AL-'AMM, "The plan is that we carry out a complete survey of all of the projects of the bank, after preparing a detailed study by the government agencies, to provide suitable housing for all Kuwaiti families. The introduction of the automated system will be completed in the immediate future at all other administrations. We also intend to increase the bank's capital." When asked about whether there was a trend to purchase prefabricated houses by citizens, he answered:

"The bank offers citizens loans to purchase prefabricated or new houses. Any citizen who meets the requirements of the General Housing Authority but has not been able to obtain government housing can submit a request to the bank to obtain a loan to buy housing. The bank, will then provide him with the required amounts, provided that the dwelling meets the conditions set out in the regulations. Among these conditions is that the size of the dwelling be no less than 400 meters, that the area of the land be no less than 360 meters, that the dwelling be in a state of nonrepair, and that the citizen provide all the required information. This is the concept of purchasing prefabricated houses.

[Question] When will the merger between the bank and the Housing Authority take place?

[Answer] This idea has been mentioned for years, and the government has laid all the concepts for the merger between the bank and the General Housing Authority. Actually the first step was taken, that is the merger between the ministry and the Authority. But the issue of merging the bank needs time, and a complete study, to ensure that the future of this merger is not hindered by any obstacles later. The decision for that is left to the higher authorities.

[Question] It is said that the bank's capital will increase. What is your opinion?

[Answer] We don't rule out an increase in the bank's capital, especially if the governmental support goes toward supplying suitable housing for the citizens. This support is the basic element in the increase of the bank's capital.

Regarding the opening of other branches in some of the governates, the director said, "The al-Ruqqah branch will soon open, and when this happens, the present number of branches will be enough for the population in all the governates. But if the matter requires the opening of other branches, the bank will not hesitate. However, these matters always need patience, so we completely avoid negative repercussions."

[Question] Has the marriage loan increased from 2,000 to 3,000 dinars?

[Answer] The marriage loan remains as it was, and this increase needs a complete study by management as to whether it contributes to the general welfare, and whether it agrees with the bank's operating policy. I believe that an increase in the social loan is not in the interest of the citizen.

[Question] Is there a study to introduce microfilm and the computer in the other bank branches?

[Answer] This study is ongoing, especially that which relates to introducing the automated system with screens, so the work of employees and citizens is facilitated so that other managements can give greater benefits according to the nature of the work, and according to the interests of the bank. Likewise we are working to tie all other managements with the general management so we would have rapid and accurate information about all the citizens that do business with the bank.

[Question] What are the most important developments that the bank has experienced recently?

[Answer] We aim to give better service to all the citizens and to solve all the problems that stifle the work. There is a study to learn all of the problems affecting the daily work flow, and to provide the qualified cadre that suits the nature of this work. There are comprehensive ideas in the labor plan, with which the bank must comply, as best as possible, especially since the bank offers services to the citizens in two principal areas - the first, the real estate angle, and the second, the social angle. The latter requires accuracy and follow-up work. We also intend to carry out a comprehensive survey of all the bank's projects, investments, savings, and social loans. Special bank committees have conducted studies on the positive effects of these issues on citizens and the state.

The director also pointed out the general policy of the bank that aims to support the bank with technical cadres, to develop the employee structure and to adopt state of the art modern equipment. The bank receives general guidelines from the state's high authorities concerning the five year plan. These guidelines are in keeping with the General Housing Authority, are carried out according to specific regulations, and aim to provide the citizens with suitable housing. "We are carrying out the recommendations

of His Highness the Crown Prince, that confirmed the necessity to provide private housing to every Kuwaiti family." Al-Huti denied that there are profits from the social and real estate loans, and expressed the wish that all citizens who do business with the bank cooperate with management in order to carry out the procedures as quickly as possible, and that they submit all requested papers so that the bank can carry out its duty as best as possible.

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KUWAIT

CONFERENCE TO EXAMINE ARAB FOOD INDUSTRIES

Kuwait AL-RA'Y AL-'AMM in Arabic 16 Jul 86 p 2

[Article: "Kuwait will Host the First Conference for the Development of Food Industries"]

The Kuwait Institute for Scientific Research is organizing the first conference on the development of food industries in the Arab world, in cooperation with the Kuwaiti Establishment for Scientific Development, the Union of Kuwaiti Food Merchants and Manufacturers, and the Arab Union for Food Industries.

The conference, to be held from 13 - 16 October, has as its goals the study and survey of Arab achievements in the field of technology transfer and development of food industries in the Arab world, the exchange of ideas and expertise among Arab scientists and international specialists in the fields of food industry, and the laying down of guidelines for an Arab plan to define the future directions and the bases for choosing special technology in the food industries in general, and in the Gulf Cooperation Council countries in particular.

The conference program includes the presentation of 38 studies about the industries related to the types of foodstuffs prevalent in the Arab world, concentrating on those that concern Kuwait and other Arab Gulf countries. The subjects that the studies will deal with will include: fish and livestock, grain, dates, carbonated beverages and mineral waters, dairy products, oils, fats, meats, canning, packaging, and fodders. The studies will also cover other adjunct aspects of food industries, such as the recent trend to produce food through traditional methods, strategic food storage methods, and standards for quality control for processed and imported foodstuffs.

Participating in the conference are a large number of specialists in foodstuff production and marketing at the local, regional and Arab levels, in addition to representatives from a number of Arab and international organizations and some officials from the major food producing countries such as Turkey, Australia, and New Zealand.

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LEBANON

DRUZE PREMIER SHAYKH INTERVIEWED ON SECURITY PLAN

Beirut MONDAY MORNING in English 14-20 Jul 86 pp 16-18

[Interview with Druze Spiritual Leader Sheikh Mohammad Abu Shakra by Nadim Abou Ghannam]

[Text]

How would you rate the success of the new West Beirut security plan, and do you think it will eventually cover the Shouf mountains ?

There was no alternative to this move if we were to stabilize the abnormal situation in (West) Beirut. The move was agreed at the Islamic conference in Damascus, and it seems to be quite successful, until now.

But do you think the plan will spread to cover the Shouf, Sldon or any other Lebanese region ?

We did not discuss this at the Damascus meeting.

Do you think that some factions that may have been frustrated by the plan will try to torpedo it ?

There certainly are numerous factions who will be frustrated by the plan, since their personal interests were better served by lawlessness. Some external factions may also prefer, and encourage, a return to lawlessness in order to secure their own interests.

What do you think is the goal behind the military meetings held in Yarze ?

«They» say these are «coordination meetings». If that is the case, and if the participants are genuinely concerned with security and putting an end to fighting and transgressions, the meetings may be of help. Otherwise they will be fruitless.

Do you think the meetings will issue a decision to counter and

break the political deadlock ?

Attempts may be made by some, but I do not rely on these meetings to break the deadlock.

Do you think the nationwide protests by the Lebanese workforce could break the political deadlock, and do you expect any attempt by some politicians or officials to break the cohesion of the workers out of a fear for their posts ?

The economic situation had reached such a state of deterioration that a nationwide protest became not only plausible but necessary, and I hope the voice of the people will reach the rulers, lest they realize the ill fate that threatens the people if the situation is not reversed.

How can a solution be reached when not only is the government not meeting, but the prime minister is also demanding a collective resignation of the president and government ?

The bankruptcy of the regime is what prompted Karami to make such a call, so that he would not be accused of accepting the sad reality. This issue was also discussed in our meeting in Damascus. There is so much confusion, so much exploitation and lack of responsibility going around, and the president, who has been described by (former) President Suleiman Franjieh as «the sick of head of state» is still exploiting the situation as if he were not responsible for the people.

However, it seems that the description still holds, and that things will remain as they are. I am not optimistic, I do not expect the future to bring positive changes unless something unexpected happens

Do you support Karami's call for a collective resignation ?

I do, since the aim is to get rid of this evil head. No reform can be achieved as long as this man is in power. No reform can be achieved by an incompetent group. Karami realized that the government is incapacitated by the presence of this man. Therefore he suggested the resignation of the government and those responsible, in order to get rid of the man who still holds on to the power without a right to do so.

You say you are pessimistic. But both President Gemayel and Premier Karami have stated that the solution is near...

With good intentions, the solution may not be impossible. However, statements must be translated into acts. The solution is not impossible if the intentions of the officials change, meaning if the president of the republic becomes aware of his human and national duties, of his duties as a ruler. Why did this man stay on when he knows that the continuation of his term is at the source of the misery of the people ?

Do you expect the economic situation to improve ?

There are no easy or available means to tackle this situation, since the reasons behind the economic collapse are many. First, the revenues of the treasury are almost nil ; secondly the money of the state is being squandered in an erroneous and egotistic manner to strengthen one faction in order to achieve an old dream that still prevails in the minds of the those people who are harming the country and conspiring against it. I do not think there is an easy way of tackling this crisis, for which the president himself is the main responsible party.

So you do not think the economic situation will improve ?

If anything is done, it will be temporary, at best.

Mufti Hassan Khaled said he would be convening meetings grouping all Islamic sects. Would you participate in such meetings ?

This issue has been raised, especially as previous Islamic meetings were restricted to the Sunnites, without the participation of the Druze or Shiite. Therefore it was suggested that a larger meeting be convened between the three Moslem sects in order to strengthen the Moslem position.

And would you participate in such a meeting ?

Yes, we have no objection to that if we think it will lead to positive results.

Sheikh Abdelamir Kabalan said the conflict in West Beirut was not one between Sunnites and

Some external factions may prefer and encourage a return to lawlessness in order to achieve their goals

Shiites, but between Security Council Resolution 425 and the abolition of the Cairo Agreement. What is your opinion ?

I believe that if the various factions agree and restrict their demands to Resolution 425 and the abolition of the Cairo Agreement (providing for an armed Palestinian presence in Lebanon), things would be much easier. However, if we differ on trivial matters, on matters that serve the interest of no faction, we would really be missing our goal.

We must achieve a united viewpoint and demand certain specific and limited things if we are to succeed.

Resolution 425 provides for an Israeli withdrawal from Lebanon, and I think that on this we all agree. As to the abolition of the Cairo Agreement, I

personally say that the Palestinian brothers have taken refuge in Lebanon and other Arab countries such as Jordan and Syria. These people have a cause, the Palestinian cause, and they have a right to live somewhere. We all supported their cause, but they made some known transgressions and violations which we hoped would not have happened. These practices provoked a negative reaction and attempts to oust them.

If they grow convinced that they are an oppressed people and demand the help of neighboring countries such as Lebanon, Jordan and Syria, there is no doubt that we will all support their cause.

I am against all transgressions of all sorts. They do have rights but they are not in Lebanon to undertake practices that harm them and the others. Therefore, if they know their limits and call upon the support of the Arab world, I think things will be much better.

Sayyed Mohammad Husseln Fadlallah said the security situation in Lebanon reflects all political conflicts in the Middle East. Do you agree?

This is a delicate issue, and Sheikh Fadlallah may be right in what he said.

Experience has proved this.

So you do agree with him?

I neither agree nor disagree, however, experience has shown that things are not stable, and the recurrence of any event may bring about a return to the previous situation.

In other words, all solutions are temporary and local?

Yes, they are all temporary. The issue is related to external and internal factors. Unless essential matters are settled, the situation cannot be redressed.

Some government officials are angered by the entrance of Syrian troops to support the Lebanese Army in its security mission in West Beirut. What is your opinion about this move?

This was the demand of the Beirutis in the first place, since they were greatly disturbed by the situation surrounding them. They could see no way out of the lawlessness except with the support of the Syrian forces. This request was formulated by both Lebanon and Syria. The Syrian forces today are preventing evil practices here upon the demand of the Lebanese, and this is a very natural thing. ●

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LEBANON

FORMER MINISTER HAMADE CRITICIZES PRESIDENT

Beirut MONDAY MORNING in English 7-13 Jul 86 pp 22-23

[Interview with Former Minister Marwan Hamade by a MONDAY MORNING staff writer]

[Text] Minister Nabih Berri expressed concern at the extent to which the recent security plan for West Beirut is being implemented. In view of this, how do you evaluate the new security plan, and what are the guarantees for its success?

The new security plan for Beirut is only a week old, yet we can say that within the past seven days, a very large degree of success has been achieved. Most of the military bureaus of the various parties have closed, armed appearance within the city have been reduced to almost zero, the general security situation — thefts, holdups, kidnappings — has greatly improved. Freedom of movement, security at night, commercial activity, all these have proved to be improving in the past seven days.

Of course, no security plan is successful if its implementation is not pursued daily, daily reinforced and daily controlled, and this is what should be done. There probably are a few (party) offices left here and there, but with the scrutiny of the security force, the help of the Syrian observers, and the determination of Ministers Berri and Jumblatt, we are not only hopeful, but indeed certain that the actual security plan is going to be a success. If it is still coming under attack by various parties, especially in the eastern sector, it is because these parties have understood the effects such a success will have on the general political situation, and how important is a secure platform for the future of our cause.

The success of the security plan in (West) Beirut, the restoration of harmony between the various national and Islamic factions is already a semi-victory over the fascist regime of (President) Amin Gemayel, and we are all going to exert whatever efforts are needed to keep this plan a success.

Reports say not all militia offices in West Beirut have been closed, in defiance of the Damascus agreement. What is the truth of these reports?

Most of the obvious offices have closed. There probably are some clandestine offices left here and there, but efforts will continue daily to locate, inquire about and close these offices, whoever they may belong to.

When will the Lebanese Army and Internal Security Forces deploy on the demarcation lines?

The Lebanese Army, and more particularly the Sixth Brigade, is already deployed along the ceasefire lines. For many months now, elements of the 6th Brigade have been protecting West Beirut from an escalation of military activity from the eastern sector. What has been planned is better coordination between the elements of the national units of the Lebanese Army and the various national forces on the demarcation lines, in order to prevent any chaotic deployment along these lines from hindering security within Beirut, but also to improve the situation of the crossings between the two sectors of the capital. In the light of the latest results, we can say the

progress achieved is satisfactory.

Some analysts look at the security plan as a truce to strengthen the positions of various local militias. What is your comment?

The current security plan is not a truce between factions on the West Beirut political scene. It is a sort of reaffirmation of the alliance between these different factions, an alliance that has been shaken many a time by conflicting interests or differing points of view.

I think the present security plan will prove a valid platform for a new political move aimed at salvaging the country from the desperate situation it is now in. This security plan is however just one step forward politically, before we all direct our political efforts at breaking the actual deadlocked situation, starting with the resignation of the president of the republic. The question is no longer one of disaccord over a text, such as the tripartite accord for example. The matter is one of a very, very profound conviction within the largest circles of the Lebanese population, that one-party rule in Lebanon i.e. the Phalangist domination has destroyed the country and that an end should be put to it.

Therefore, I think that, with the results obtained in Beirut on the security level, we can now shift the efforts of every Lebanese, and especially of those Lebanese who are fed up with the chaos, with the economic strains and with the social situation, towards radical changes in the government in Lebanon. The first general strike that has taken place this week (Thursday, July 3) is one step in this direction.

Syrian Intelligence chief Brig. Ghazi Kanaan said that should the West Beirut security plan fail, Syria might have recourse to other means of imposing law and order. Does this imply a direct Syrian

The Palestinians have suffered enough, and

Arafat should not put their lives at risk just to reaffirm his authority

military intervention in West Beirut?

Only the Syrian command is able to answer this question. But we can say that the drastic efforts deployed by Brig. Kanaan with every party, on every level and at every moment of the implementation of the plan very clearly translate the determination of the Syrian command to restore law and order in Beirut. We have been following up the security plan with Brig. Kanaan, and we can say that whatever he has stated must be taken seriously and the best illustration of this is the way the units of both the Army and the ISF have been implementing the plan. There is higher morale, more determination and a general feeling of strong political support for their mission, and this is due to the presence of Brig. Kanaan and to his statements.

Minister Jumblatt has repeatedly stated in recent speeches that the war is far from over. What is your comment?

It is obvious that the war is not over, and Minister Walid Jumblatt is not the only one to state this. It is obvious that, when Prime Minister Rashid Karami says there should be a collective resignation of the president and government, he means that political war is not over. Walid Jumblatt is conscious of the fact that Amin Gemayel has tried all kinds of wars against the national forces aiming at progress and reform in the country, and

The labor strike will bring about the early change of the presidency as a first step towards peace and reforms

it is in view of his past experience with President Gemayel — all the broken commitments, the unimplemented texts, the unfulfilled promises — all this has convinced him (Jumblatt) that this country cannot return back to normal with such a style of government and such a president.

Of course the war is not over yet. The

There is a very deep conviction among most Lebanese that the Phalangist domination must be put to an end

war will be over when the current mafia is ousted, this mafia which came to power in the wake of the Israeli invasion and which has been systematically destroying the country and robbing it of its resources.

However, one sort of war is over now, the sectarian «little wars», between national factions: little wars which were provoked and nurtured by elements of the Second Bureau, the Palestinian contradictions and a lot of Israeli interference.

How do you evaluate President Gemayel's recent Arab tour? Will it help in finding a solution to the Lebanese problem?

No, this is all escapism. Amin Gemayel is evading the real problems of the country by embarking on fruitless visits to countries that have no influence whatsoever on the Lebanese situation. With all our respect to these brotherly countries, it is not in Mascot, Qatar or Abu Dhabi that Amin Gemayel will solve the problem of Lebanon and the Lebanese.

War is still raging in more than one area of Lebanon, the South is still occupied, the people are hungry, the institutions are paralyzed, and when one man leads his country to such a dreadful situation, he should at least have the decency to draw his own conclusions and leave.

The camp war has obvious regional dimensions, yet all attempts at solving it are made on the local level. Do you think a local settlement alone is sufficient?

A local settlement should be enough to disconnect the camp situation in Lebanon from the ongoing fight over the command of the Palestine Liberation Organization (PLO). We think that (PLO chief Yasser) Arafat, after so many political failures, should at least spare the Palestinians of Lebanon who have suffered a lot from Israeli and Phalangist aggressions. Arafat should keep them aside from internal rifts and not put their lives at risk just to reaffirm his elsewhere crumbling authority, or to mark a point against such or such an Arab regime.

One sort of war is over now, the sectarian «little wars», provoked by the Second Bureau, the Palestinian contradictions and Israeli interference

The Palestinians of Lebanon deserve security, respect and support for their cause from every Lebanese, and I do not think the Arafatist policy is in any way eager to secure this to them.

The Labor Federation has called for a nationwide strike Thursday, to be followed later by sit-ins and demonstrations throughout the country. Do you think such moves will prompt the government to deal with the prevailing economic conditions? What, in your opinion, are the best means to settle this issue?

The best means to settle this issue are the resignation of the president, the establishment of a provisional government, the organization of new presidential elections that would bring to the presidency a non-party candidate, a man whose only commitment would be to Lebanon and the reforming of its society towards progress. The strike that has taken

place is one step in this direction, it underlines the fact that the general exacerbation with this presidency and this type of government has finally overcome the barriers between communities in Lebanon, and that the labor force in this country is joining the fight for change.

I think the dynamism created by this strike will develop on more than one level, and will necessarily come to one result, the early change of the presidency as a first step towards peace and reforms.

**Whatever Brigadier
Kanaan has said must
be taken seriously**

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LEBANON

CURRENCY SLIDE QUALIFIES BALANCE SHEET GROWTH

London MIDDLE EASTERN ECONOMIC REVIEW in English 5 Jul 86 p 19

[Text] The seemingly impressive growth of the consolidated balance sheet of Beirut's commercial banks in 1984-85 has to be qualified by the fact that the Lebanese pound lost about 50 per cent of its value during the year. Since the end of 1985, the local currency's value has fallen by a further 50 per cent, to about \$1 = £Leb 38. The 59 per cent increase in private-sector deposits in 1984-85 can be ascribed to the fact that an estimated 70 per cent of these deposits are held in foreign currency.

The 33 per cent rise in loans to the private sector is attributed to inflationary pressure and the increasing budget deficit, rather than to any surge in economic activity. Loans to non-residents and non-resident banks increased because these loans were denominated almost entirely in foreign currency.

The 88 per cent rise in treasury bills was a reflection of the government's increasing reliance on these bills to finance the budget deficit.

Lebanon: consolidated balance sheet of commercial banks, 1984-85
(£Leb million)

	1985	1984	% change
Total assets/liabilities	161,944	100,035	+62
Loans to private sector	57,707	43,268	+33
Treasury bills	27,389	14,610	+88
Loans to non-resident banks	40,691	23,288	+73
Private sector deposits	108,800	67,581	+59
Liabilities to non-resident banks	9,777	7,332	+33

Exchange rates: \$1 = £Leb 18.10 (31 December 1985); \$1 = £Leb 8.80 (31 December 1984)

Source: Banque du Liban, Beirut

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SYRIA

AL-BA'TH EDITORIALS CHRONICLE SUPPLY-DEMAND PROBLEMS

Doctors Refuse Rural Service

Damascus AL-BA'TH in Arabic 17 Jun 86 p 4

[Editorial by Michel Khayyat]

[Text] The Ministry of Health has announced, in the context of answering the questions of a People's Assembly member, that the reason for the insufficiency of doctors in some health centers in Dayr al-Zawr is lack of requests to work in such professions and the general aversion of doctors to working in the rural health centers. There is now no system which requires doctors to do work in the national service.

The meaning of this is perfectly clear, but at the same time serious, frightful and significant. It is that some of the health centers will remain without doctors!

Of course this is nothing new, and here is the reason for our perplexity. We and everyone else know that all the world's riches will not bring back a person's life, for a person is very valuable and precious. If we are able to save him, we should not be prevented from doing so by the lack of a doctor who can be trained in 6 years or of a doctor's aide whom we are able to prepare in 2 years.

It is odd today because we graduate a thousand doctors every year. When we hear that a doctor is present but does not wish to work in the countryside, we must realize that the presence of that doctor in the countryside is necessary and will not brook delay or disregard, no matter what the difficulty.

Water Shortage at Crisis Stage

Damascus AL-BA'TH in Arabic 30 Jun 86 p 4

[Editorial by 'Ali 'Abbud]

[Text] After rationing electricity consumption, the Al-Fijah Public Water Board has begun to announce over the information media that it will be compelled to cut off water to the city of Damascus from 9:00 P.M. to 5:00 A.M.

the following day until water is available in the reservoir during the next rainy season!

It may appear that the period of the cutoff is slack for many but the phone calls that have poured in to us say that the water is cut off to several quarters of the city during the day, not at night!

We cannot deduce from the board's announcements--which have begun to look like black humor--that we are at the gates of a stifling water crisis. However, if we do not continue to threaten, we won't get any except in drops. It is possible for us all to ask ourselves who is squandering the water.

The board's announcement says that the drinking water crisis is connected with a sharply lower water level in the Al-Fijah reservoir due to the rains not coming to Damascus this year. However, we do not think that a low water level in the reservoir is the main reason for the insufficiency of drinking water for the city's population, especially since it has been cut off repeatedly year after year as we faced similar droughts in 1973, 1981 and 1984. We have not faced such a stifling crisis, to such an extent. This means that the crisis has other reasons. What are they? The increase in the population of Damascus has been tremendous, and if this increase continues with the irrational expansion of population in the city's suburbs, even plentiful rains in coming years will not suffice for the needs of the populace. This leads to the logical result that says that we cannot possibly remain submissive to natural factors in the water issue, especially since scientists affirm that our country will face dry years from time to time. For this reason we must look for more scientific alternatives in water management and utilization. Among these alternatives must be that the Al-Fijah water suffices for drinking purposes no matter whether or not the rainy seasons are sparse.

Many countries have more water resources than we, but even so they conceive this national wealth for their coming generations and keep it from being squandered--while we use fresh, pure, sterilized water to wash bicycles and cars, to rinse off the streets and perhaps even to water orchards and gardens and to change the water in swimming pools. In fact we constantly see how water is wasted in the public streets for several months by drawing it out of underground storage to make cement.

The scientific solution, even if we cannot say the ideal one, is to lay lines especially for drinking water and lines for other purposes and uses. Shall we begin from now on to think about studying the potential application of such solutions which will help in the water cutoff?

Crop Marketing System Failure

Damascus AL-BA'TH in Arabic 2 Jul 86 p 4

[Editorial by Salma Kamil]

[Text] It is not the first time that we have faced a crisis in the flow of agricultural goods. It is unfortunate that we are calling an abundance of production a crisis but this is what is happening to us with several kinds of

fruits and vegetables which are facing ruin--and the farmers are suffering their loss--because the concerned agencies are incapable of marketing them.

This is what happened to the potato crop in this spring's crop when the production was excellent but we failed to find channels to market it, whether domestically or abroad, finally forcing our farmers to take the loss and our economy to waste it.

Those coming from the production areas speak sadly of this problem which faces our farmers as they are forced to sell a kilogram of potatoes for 30 to 50 piasters at a time when the Public Fruit and Vegetables Company is marketing the excellent class of potatoes for 75 piasters and concurrently is failing to market all of those produced.

What makes the problem a crisis is that the spring crop's production is not storable for the long term, i.e.: it must be marketed and consumed quickly or the excess will be ruined and lost.

What steps have the concerned agencies taken so far on this subject?

The minister of agriculture told the Popular Assembly: The spring potato season was excellent but marketing and distribution were perhaps thwarted by several obstacles. The Ministry is serious about marketing and distributing this crop.

The minister of supply affirmed that the government is exerting efforts to market and distribute the potatoes, and especially those produced in the spring crop.

Here we might note that all of the agencies are serious about marketing the potato crop and are exerting efforts to do so--but when, and can the crop wait until we look for markets, make up contracts and organize the distribution? Should we always wait for excesses or shortfalls in production before we think about solving the problem?

Solutions to Production Snags

Damascus AL-BA'TH in Arabic 3 Jul 86 p 4

[Editorial by Ahmad Shukri]

[Text] In this stage of serious work to evaluate production sites and their need for real profitmaking and satisfactory performance, it appears necessary for the public sector to leave stumbling blocks, entanglements and weak production behind.

This requires concentration on three general points: 1. Manufacturing spare parts locally. 2. Producing raw materials which we still import. 3. Directing individual investment into productive manufacturing, and slowing its headlong dash into the uncharted territory of speculations.

Regarding the first point, the initiatives have been promising. Steps have been made to produce spare parts in the tractor plant with the cooperation of the concerned craftsmen, and an agreement has been made with the trade organization to set out on initiatives at every level and to encourage all initiatives to achieve their goals.

Work is underway to support production of the necessary primary manufacturing materials, the requirements for which have been met by imports. We will hear very soon news from here and there of their actual entry into these fields. If the Arab common market had been in fact been established other than on paper, numerous local industries would have been able to guarantee their needs for primary materials in an exchange useful for both sides. If some of the missing links were made good, we would not have needed to say that our country has been in need of all the requirements and organizations of such a market for more than 20 years, in the face of painful wariness and harsh negativism from some of our brothers.

As for the third point, it is to direct local energies toward productive manufacturing instead of plunging into speculations, brokerage and real estate transactions--a number of positive steps have already been witnessed to overcome the difficulties of routine when they are found--requiring agencies to process license applications in a timely manner and easing the conferral of legality on unlicensed production facilities.

In this regard, it is incumbent upon the local administration to quickly set up manufacturing regions on a wide scale, and overcome the difficulties of administrative licensing.

A guide to industrial investment has been issued, including an explanation of the appropriate stage to be passed through to reach official licensing of the industrial facility. The advocated industrial climate is completed, beginning with the detailed steps, facilitation and processes which direct the investor to the numerous industries available for individual initiatives.

At the same time, investment is being encouraged in the joint industrial sector, supported and guaranteed by the nation, which permits it in a spirit of confidence and trust in order to diminish the risks.

It is useful also that the attention of the officials in the Ministry of Industry is turning to the manufacturing cooperatives, which have been eclipsed for a long time. The responsible circles have not given them their due in the way of encouragement and facilitation despite the law which, absolutely unequivocally, stipulates this in all its facets.

The Syrian Arab nation, with the size of its population and its strategic location at a land, sea and air crossroads, forms a unique market for various goods which has room for more production in every field, to say nothing of the fact that its Arab milieu must be opened up to it, and these are sufficient characteristics to attract the production and financial investments which are acceptable for use.

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SYRIA

BRIEFS

DEFENSE DOMINATES 1986 BUDGET--Defence is the dominant feature of the 1986 budget, presented to the people's assembly on 15 July. The partial figures, released by Finance Minister Qahtan Sioufi, show a slight nominal increase in total spending--to be set against an inflation rate estimated at more than 20 per cent--and continued emphasis on boosting investment in agriculture. Sioufi said total spending is put at L43,800 million (\$11,200 million), 2 per cent higher than 1985's LSyr 42,984 million (\$11,000 million) allocation. Defence spending rises by nearly 5 per cent to LSyr 13,600 million (\$3,640 million), from LSyr 13,000 million (\$3,319 million) in 1985. Defence accounts for just above 55 per cent of total current expenditure of LSyr 24,600 million (\$6,300 million). Spending on agriculture is set to rise by 21 per cent, Sioufi said, but he did not give a detailed breakdown of the spending and revenue targets. He said the budget's aims were "to reduce the deficit, fight inflation, and pay special attention to agriculture and exploration industries." He added that the government, which is facing a serious foreign exchange crisis, has decided to focus on projects that do not need large amounts of hard currency. [Text] [London Middle Eastern Economic Review in English 19 Jul 86 p 30] /13104

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YEMEN ARAB REPUBLIC

PHARMACEUTICAL COMPANY REPORTS GOOD PROGRESS IN 1985

Sanaa AL-THAWRAH in Arabic 25 Jun 86 p 6

[Article by 'Ali al-'Umraní: "'Abdallah al-Tihami Presents a Report On the Activities of the Pharmaceuticals Company and Plant To the General Assembly At Its Regular Meeting"]

[Text] Yesterday the general assembly of the Yemeni Pharmaceuticals Manufacture and Trade Company held its regular yearly meeting, chaired by Chairman of the Board 'Abdallah Muhammad al-Tihami, at the company's headquarters.

During this meeting the group heard the board's report to the general assembly members about the budget for the company and the pharmaceuticals plant for the fiscal year ending 31 December 1985. The report highlighted the indices of the pharmaceutical plant's great success during 1985 in the areas of production, sales and profits, as well as the company's growth and development during the same period in both imports and sales, and the new gains and returns realized from the company's activities. The report stated that the board has given particular attention to manufacturing, in addition to the company's commercial activities, on the basis of standing instructions from the President and Secretary General of the National People's Assembly, which in turn derive from his sincere, tangible feelings about devoted patriotic guidance in building up the national economy through economic development based on agriculture and industry, in order to bring the country out of its backwardness into growth, development and prosperity by means of studied development plans which will achieve blessings and fulfillment for our people and our country under his wise leadership.

The report also mentioned the concern which the company is giving to the manufacture of medicines, in order to achieve increased production and greater efficiency at the pharmaceuticals plant, inasmuch as industry is one of the basic pillars for building a strong, firm national economy.

In this report, al-Tihami said that the Yemeni Pharmaceuticals Manufacture and Trade Company has strengthened its presence and expanded its activity on the Yemeni market by showing more concern for manufacturing medicines locally as well as importing them from world-renowned companies.

The board chairman's report to the regular yearly meeting of the company's general assembly confirmed the indices of the great success and the continual growth and expansion of its activities during fiscal year 1985, which can be highlighted by a quick overview of the more important activities of the company and the pharmaceuticals plant, supported by figures.

During fiscal year 1985, medical imports amounted to 142,405,491 Yemeni riyals, an increase of 37,554,251 riyals over the previous year's imports.

'Abdallah al-Tihami explained that these import figures represent only what was imported from world companies, in addition to 31,107,648 riyals worth of medical products which were withdrawn and sold, which represents what the company would have imported from international companies if the pharmaceuticals plant had not produced them.

The report said during fiscal year 1985 the company acquired concessions and earnings from international drug companies with which it dealt; such concessions included an increase in commissions on the volume of imports, transfers into revenues instead of appropriations in some import operations, and the receipt of goods free of shipping charges to help out with the currency differential.

With reference to the sales volume, the report said that during fiscal year 1985, sales amounted to an estimated 199,779,435 riyals, an increase of 30,643,822 riyals over 1984's sales figures.

It should be pointed out that this increase in sales over the volume of imports comes primarily from the pharmaceutical plant's products and then from the medical stockpile.

In the board report to the general assembly, 'Abdallah al-Tihami discussed the company's financial position, saying that during 1985 the company's commercial activity showed much more vitality and activity, in the area of imports and sales, when compared to 1984. The company's indebtedness to the Yemeni Bank for Construction and Development amounted to 34,006,645 riyals, in addition to deposits amounting to 13,462,989 riyals.

The board chairman referred to projects which have been completed and put into operation, saying that last March the medicine container plant, which cost 20,288,796 riyals for buildings, machines, equipment, installation and operation, started production.

This plant is meeting all the pharmaceutical plant's requirements, according to the medical specifications followed overseas for containers for medical products and for new types of drug production. It also prints and prepares medical containers such as packets, which had been imported at great cost from overseas.

The plant also prints record forms and other clerical requirements for the company and the pharmaceutical plant. Its production capacity is adequate to meet all foreign requirements such as standards and specifications for quality and precision. Right now the plant is printing its first book for the University of Sanaa, and there are preliminary agreements with several companies for printing the posters and other items they need.

The report indicated that the antibiotics and ointments section, which cost 5,049,865 riyals, has been completed. Other costs were incurred for building a top floor for the pharmaceutical plant's administration building.

It has also been decided that this section will begin production within the next few weeks, after all the final accounts for this section of the plant are posted and the equipment is completely installed.

In the board report, al-Tihami said that even though it has just recently been established, the pharmaceuticals plant, because of the big role it has played and will play in the future, has proven one obvious fact--that the manufacture of medicines in our country is part of the real dimensions of economic growth, the breaking of the foreign companies' monopoly, and the construction of a sound national economic infrastructure which will achieve the desired growth and development for our country.

The plant realized significant production, sales and profits during fiscal year 1985; as of the end of the year, its sales amounted to 31,107,648 riyals, an increase of 18,564,726 riyals over the previous fiscal year. Net profits amounted to 10,299,678 riyals, an increase of 8,177,536 riyals over the net profits achieved during the previous year. As for production, by the end of fiscal year 1985 the plant was producing ten different kinds of medicine. At that time, the plant began producing 15 kinds of medicine, and by the end of the current fiscal year, 1986, the plant will be producing 27 different kinds of medicine.

The report stressed that what has been accomplished and what will be done in the future is due to the self-sacrifice and devotion of the company's employees, which led the board to pay them the raises they have earned in past years. This should spur them on to greater efforts to improve operations at the company and the plant.

Board Chairman 'Abdallah al-Tihami's report explained that the company's board is giving considerable attention to manufacturing, and is deliberately striving to raise the level of production at the pharmaceutical plant by increasing the kinds of products and setting up more integrated projects, in order to achieve a certain degree of self-sufficiency and reduce the volume of medical imports, so that the company will not be at the mercy of foreign companies and currencies.

The report pointed out that the company has continually observed the motto "medicines are a service, not a commodity," because medicines are bound up with the citizens' life and health, which is something which cannot be trafficked in.

The report explained that on this humanitarian basis, the company, working with the Supreme Pharmaceutical Authority, has fixed the prices for medicines, and is trying to provide all kinds of medicines, either produced locally at the pharmaceutical plant or imported from abroad.

The board's report concluded by expressing gratitude and appreciation to President Col 'Ali 'Abdallah Salih for the concern and care he has shown this company and for his sincere, patriotic approval, which has allowed it to make progress year after year, particularly in drug manufacturing, which will reach more advanced stages and achieve increased production of medicines through self-sufficiency.

Afterwards, the company's general assembly and representatives from the Economy Ministry and the Yemeni Investment Company thoroughly discussed all aspects of the board's report, and the board chairman answered questions from the members of the general assembly.

Then the general assembly of the Yemeni Pharmaceuticals Manufacture and Trade Company ratified the board report and the chief accountant's report on the general budget for the fiscal year ending 31 December 1985, and approved the chairman's and board members' performance of duties for that fiscal year.

The company's general assembly also approved the distribution of profits as suggested by the board, to the amount of 25 percent of the capital, beginning 1 July 1986. The assembly elected Abu-Bakr 'Awad Ba-Dhib as board member for the coming period, and the board donated stock to the amount provided for by law.

The company's general assembly meeting was attended by Health Ministry Advisor Ahmad 'Ali al-Hadr, Board Members Abu-Bakr 'Awad Ba-Dhib, Ahmad Muhammad Salih, and 'Abd-al-Hadi 'Ali Muhammad, Economy and Industry Ministry Representatives 'Abd-al-Rahman Zabarah and Muhammad Shamsan al-Haydari, Yemeni Investment and Finance Company Representatives Ahmad Mirghim, 'Ali Ahmad al-Du'ays, and Muhammad al-Hajj, Central Control and Accounting Agency Representative Yahya al-Jawfi, and Company Chief Accountant 'Abdallah Hasan al-Iryani.

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YEMEN ARAB REPUBLIC

WEST GERMAN COMPANY TO BUILD SALT PLANT

Sanaa AL-THAWRAH in Arabic 26 Jun 86 p 2

[Article: "Agreement For Building and Equipping Salt Refining and Packaging Plant Signed"]

[Text] Yesterday, at the offices of the Yemeni Salt Refining and Packaging Company in Sanaa, an agreement was signed between that company and the West German Traub Company for the construction and equipping of a new salt refining and packaging plant to be built in al-Hudaydah. The plant, which will be constructed over a period of 20 months, will cost 67 million Yemeni riyals, and will produce 30,000 tons of high-quality, pure refined cooking salt yearly according to the latest industrial methods and sanitary specifications.

The agreement was signed for the Yemeni Salt Refining and Packaging Company by Board Chairman Ahmad al-'Attab and Director General Muhammad 'Ali al-Mu'sib, and for the Traub Company by their Sanaa representative, Mr. Michael Wolf.

In a statement to the Saba' News Agency, Company Director General Muhammad 'Ali al-Mu'sib said that this plant, which will rely totally on local raw materials, is being built at the direction of President Col 'Ali 'Abdallah Salih, who is concentrating on setting up industries which generally rely on locally available raw materials, which will ensure the growth and development of our country's industrial sector so that it can play an effective part in strengthening the national economy.

He said that the plant will produce salt for food, industrial, and prospecting purposes, for both local consumption and export. He pointed out that this vital economic project will be the starting point for the construction of many other industries which use salt products.

He also explained that the construction of this plant will add about 26 million riyals to the national income each year. At the end of his statement, the director general pointed out that the Yemeni Salt Refining and Packaging Company will be entering a new phase with this project, after having completed,

during the period since its founding in late 1984, the organizational infrastructure and technical studies necessary to start its activities and carry out its duties and responsibilities as defined by the law which founded the company.

The signing of the agreement was attended by the members of the company's board.

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CSO: 4404/417

YEMEN ARAB REPUBLIC

LOCAL INDUSTRIES BLAMED FOR SKYROCKETING PRICES

Sanaa Al-THAWRAH in Arabic 29 Jun 86 p 5

[Article by 'Abd-al-Tawwab Sayf: "The Madness of Inflation and the Insanity of Prices Are the 'Common Denominator!']

[Text] In these times, which are characterized, in the various areas of economic, social and political construction and development, by a patriotic, sincere, Septembrist spirit of giving, the fruits of which are within the reach of every citizen throughout our beloved country--in this phase so full of giving in all aspects of the comprehensive development process which is being spurred on with such determination and strength by President and Secretary General Col 'Ali 'Abdallah Salih--this sea of development is surrounded by question marks and exclamation points about how some people are holding back from joining this march of progress. For example, some merchants are afflicted with madness for excessive wealth without giving the slightest consideration to the fact that they are citizens first of all, and all the other people are their brothers first and last. Our Prophet Muhammad said, "By God, not one of you believes that he who loves his brother loves himself, and he who hates him hates himself."

Another group of merchants has founded companies and built factories, or, more properly, bottling plants for various beverages, milk and juices, which depend totally on imports, thus depriving the state treasury of millions of riyals in customs fees imposed on those commodities when they were imported ready-made. The Supply and Trade Ministry is immersed in studying this or that company's request to raise the prices of its products. Anger and frustration automatically arises when the citizen finds out that the price of this or that commodity has actually been raised, without his being able to find out the reason or even part of the reason. The most recent incident is perhaps the disappearance of milk packaged in various types and sizes of paper cartons, preparatory to raising its price. Before that it was infants' formula and packs of Kamran cigarettes, which cost 5 riyals instead of 3 riyals. "Chef" brand cooking oil, which was cheap and imported, gives way to "Deux Chef" brand, which is canned locally and is expensive. From the moderately-priced, imported "Peepers" diapers we go to the exorbitantly-priced, locally

packaged "Pampers." Even the locally-made paper tissues cost 50 percent more than the imported ones, which, as we mentioned earlier, were a source of revenue for the state budget.

Finally, another thing which arouses both grief and laughter, but more grief than laughter, is the Supply and Trade Ministry's reply to the owners of the soft-drink bottling plants: it permitted them to increase the price of a bottle of soft drink by 50 percent. The ministry knows full well that a bottle of cola, for example, costs only 50 fils--and if it doesn't know that, here is a living example. In the Seventies, a beverage bottling plant was built at a cost of 1 million riyals, and its stock sold for 10,000 riyals a share. Nowadays, a single share costs 1 million riyals--not because the shareholders added new money to their former holdings, but because of continually escalating profits. On top of it all, the Supply and Trade Ministry comes along and approves a price increase. Thus this ministry and that group of merchants are remaining aloof from all the changes taking place in our country, and no one takes the trouble to awaken them from their sleep. So sleep well, because today is not yesterday, and God willing a brighter day will come when you won't hang back from the march.

8559

CSO: 4404/417

HAZARAH YOUTH URGED TO JOIN ARMED FORCES

Kabul KABUL NEW TIMES in English 10 Jul 86 p 2

[Text]

KABUL, (BIA)—

The executive committee of the Central Council of toiling people of Hazarah nationality held its session yesterday to take measures for the recruitment of Hazarah youth in the ranks of the armed forces for the defence of the April Revolution.

The council has adopted the following message addressed to the Hazarah youth.

In the name of God, the merciful and the beneficent.

The brave youth of the working nationality of Hazarah!

Our revolutionary country Afghanistan has been facing an undeclared war conducted by

world imperialism and reaction of region for over eight years. This war has brought about great losses and disasters to our people.

Today, it is the high time for all patriotics and true sons of the homeland to rise in defence of the revolution and mother-

land where we have grown up and used its all moral and material blessings.

The April Revolution belongs to the Hazarah nationality more than any others, because the April Revolution saved the working Hazarah nationality who were oppressed for years during the domination of kings and landlords.

Today, the homeland and the revolution have

the right to call for their defence by brave youth of Hazarah beside other patriotic youth.

The PDPA and the DRA state have provided better conditions for the sons and youth of the country to fulfil their patriotic tasks and support them permanently.

Recently, the decree of the Presidium of the Revolutionary Council of the DRA regarding the pardoning of those people who have avoided to continue their military service, was issued.

According to the decree, the officers, soldiers and those who were under recruitment and avoided to serve in the army due to the enemy propaganda, will be pardoned if

they voluntarily refer to their units and detachments or to the organs of state power and administration during the six months after the enforcement of the decree.

The decree gives the opportunity once again to those persons, who have avoided to serve in the army to join the ranks of the armed forces of the DRA and fulfil the noble task.

At present when our land has subjected to aggression by reaction and imperialism so, there is no any other noble duty except defending our beloved homeland.

Defence of homeland is the work of the true and heroic sons of the country.

You must join the ranks of the defenders of the homeland as your fathers did against the despotic Amirs (Kings) and British aggressors.

Your joining to the ranks of the heroic defenders of the revolutionary Afghanistan and your readiness in defence of the gains of the revolution will be a good and unforgettable impression and honour for our homeland and the future generation,

particularly for the future generation of Hazarah nationality.

If you, have been deceived, be aware and cut from the counter-revolutionary bands, because they will not exist any more. That day is not far away when our beloved homeland will be cleared of the criminal and plundering bands and when the atmosphere of nation-wide peace ensured in our country.

The central council of the working people of Hazarah nationality, that

is the gathering center of the representatives of Hazarah nationality in the revolutionary Afghanistan, addresses you, brave sons of Hazarah that you must reply to the call of the homeland, be proud and join the ranks of the revolution defenders, and keep alive memories of devotion and heroism of your fathers.

The homeland attaches its hope to the honest and devoted youth.

Forward towards the defence of our sacred homeland.

God helps us.

/12828

CSO: 4600/427

BAGRAMI MILLS INCREASE PRODUCTION

Kabul KABUL NEW TIMES in English 10 Jul 86 pp 1-2

[Article by Farouq]

[Text]

Bagrami Textile Mills produced two million metres of cotton cloth in the first quarter of the current year showing a five per cent increase over the corresponding period of last year. The mill produced about 11 million metres of cotton cloth and more than 14 million metres of colored and printed cloth last year.

The main output of the factory are linen, different kinds of cotton cloth and cotton yarn. Its raw material (cotton) is produced indigenously and the well-designed and high quality products of the mills play an important role in the economy of the country.

The Mill has auxiliary, engraving and tailoring sections, transport and a well-equipped workshop and produces superfine cloth. The factory has three sections of spinning, weaving and dying in which 1,485 labourers work in two shifts.

All workers are members of trade union of

their factory. Bagrami mill which was in a stagnant state in the past (prior to the revolution) has completely changed into a vanguard institution. New achievements in favour of the workers of the factory are very much in evidence. For instance, a well-equipped health clinic has been established with the cooperation of the Ministry of Public Health and the trade union of the factory in which the workers get free medical treatment. Also a kindergarten and a creche for workers' children have been set up in the institution.

Establishment of literacy courses, building of a mosque, a well-stocked library, and construction of workers' supplementary school are the other tasks undertaken. Right now 30 literacy courses are functioning in the mill. Last year, 114 workers graduated from the literacy courses and most of them are enrolled to

the workers' supplementary school.

Thanks to the great attention of the party and the state and the activity of the trade union, the workers receive consumer goods and coupon articles cheaper than in open market through the stores established inside the mill.

The houseless and single workers who had long suffered lack of shelter are now comfortably housed in a dormitory which has accommodation for 270 people and is built adjacent to the factory. The workers of the factory knowing that is not only a source of production, but also a social, cultural and economic institution closely linked with their lives do not spare any effort to defend the factory.

At present 370 workers have voluntarily joined the civil defence group of the mill. The workers of the mill carried out voluntary work nine times last year saving more than 116 thousand Afs for the mill. To raise the production of the

factory. 227 workers in four shops launched crash work. Among the workers, 8 outstanding workers received medals and badges given by PDPA CC, RC and the Trade Union of Afghanistan. Likewise, eight outstanding workers of this factory have been elected as peoples representatives to local organs of state power administration.

Setting up of primary party organization, women's democratic organization, democratic youth organization and defence groups are the other fruitful steps taken in the factory. The Mill has also organised facilities for sports for its workers including football, volleyball, wrestling, weight lifting and boxing and established artistic groups of workers.

/12828

CSO: 4600/427

CAMPAIGN AGAINST MALARIA TO BE INTENSIFIED

Kabul KABUL NEW TIMES in English 10 Jul 86 p 4

[Text]

The Institute for campaign against malaria and for parasitology, has checked and treated during 15 months over 333,000 patients affected by malaria, leishmaniasis and intestinal diseases.

According to the policy of the DRA state on rendering free health services to the citizens, the institute carries out through its different departments free supply of medicines, laboratory check up and treatment of patients affected by the above diseases.

All the city polyclinics, hospitals, armed force polyclinics, education health centres, family guidance associations all over the country are furnished with the malaria and parasitology laboratories. Seven such laboratories were newly opened and are functioning in Kabul city. Presently, 203 laboratories are functioning all over the country.

The institute, in the first quarter of the current Afghan year in its campaign against anopheles mosquitos over an area of 2,475,500 square metres of water logged marshy areas sprayed 55 litres of abit, 830 litres of mobile oil, and spread 300,000 gambusia fish and filled 40,000 cubic metres of marshy pits with soil.

Research was also carried out on two species of bacilli in the water at a depth of 1-100 metres. The bacilli will be used to inhibit the larval stage of anopheles mosquitos.

Malaria occurs in Kh-rost division and Kunduz, Badakhshan, Takhar, Nangarhar, Laghman, Konarha, Kandahar and Helmand provinces, and leishmaniasis is prevalent in Herat, Kandahar Kabul, Kapisa provinces and Mazar-i-Sharif and Aqcha cities.

Due to geographical, climatic and unhygienic condition intestinal paras-

itic diseases are prevalent throughout the country.

The institute for campaigning against malaria, and parasitology during the first quarter of the current year had held four training courses of five weeks duration in the centre and provinces of the country for further education of its personnels. The trainees were taught by Afghan and foreign experts.

For improvement of activity and drafting of the operative plan for the control of the above mentioned diseases in the country, a seminar of regional directors and related units was held for a week. Similarly, the institute for training its 22 techn-

icians held a six weeks course in the first quarter of the current year.

The institute besides carrying on effective work in the centre has also organised its activity in the provinces through 8 zones and 33 units to fight malaria, leishmaniasis and intestinal diseases.

With the help of experts from the Soviet Union and WHO the institute has drafted plans for the HS 1365 and 1366. In these plans emphasis has been laid that the personnel of the institute should as the first

step provide necessary medicines for treatment of disease to the people. The programme is somewhat fulfilled.

The institute is planning to urgently apply necessary measures all over the country for treatment of positive cases, anti-larva activity and spraying operation against disease transmission. It is also proposed to increase the activity of the institute all over the country by the end of HS 1369.

WHO and UNICEF, have permanent cooperation with the Institute. The UNICEF recently donated one million chloroquine tablets to the Institute.

/12828

CSO: 4600/427

BANGLADESH

GOVERNMENT SPOKESMAN REPLIES TO HASINA STATEMENT

Dhaka THE NEW NATION in English 1 Jul 86 pp 1, 8

[Text]

The All-India Radio and the BBC in their broadcasts on June 26 and 27 respectively quoted the leader of the 8-party opposition alliance in Bangladesh as saying that the government should end what she called repression on the tribal activities in Chittagong Hill Tracts. She also urged the government to concede to the demand of the activists.

Sharply reacting to the statement a government spokesman posed a question "does the opposition leader mean to suggest the government should agree to their demand for secession?"

The spokesman further said the learned opposition and her alliance will be advised if they refrain from making such unwarranted and derogatory statement to the detriment of territorial integrity and national interest of Bangladesh. He drew her attention to the unremitting efforts being made by the government for the past four years to solve the problem of the people of tribal Chittagong and to associate them with the main stream of our national life. Hence the question of subjecting them to repression does not arise at all, the spokesman said.

The spokesman further reminded the opposition leader who now shed crocodile tears for the tribal people that this problem was created by the great grand leader of her party when he as the chief executive of the government soon after independence made a blunderous statement asking these people to merge themselves with the Bengalees. The problem is also attributable to the policy of gross negligence to the area pursued by the then government. The present government has inherited the problem as a legacy from the past and is trying with all sincerity and earnestness to resolve it.

The leader of the eight-party alliance, who is now posing herself as the champion of the tribal people's cause, is perhaps unaware of the generous support, moral and material, being rendered to these people by the present government to enable them to lead a peaceful settled life. The steps taken by the government to help the tribal people include establishment of Chittagong Hill Tracts Development Board with sufficient budgetary allocation and massive development activities

embarked upon in the area etc. Besides setting up schools and colleges for the education of the tribal youths the government is providing them cash grants to enable them to build dwelling houses, acquire lands to take to farming. The government's generous gesture towards tribal people is proved by the fact that it has amended the century old law that denies them the right to own land. Now they can buy and own land for farming. What is more, interest on bank loan advanced to them has been reduced. The government also demonstrated its magnanimity by granting general amnesty to those tribal activities who were led astray and by rehabilitating them with employments and other facilities. The government has taken these steps to reassure the tribal people of its sincere desire to solve their problems and enable them to play their rightful role in national life. As a result, many of them who went astray returned to normal life. The process is still on the spokesman said.

/13046

CSO: 4600/1929

INDIA

GANDHI OPENS IRRIGATION MINISTERS' CONFERENCE

Bombay THE TIMES OF INDIA in English 9 Jul 86 pp 1, 5

[Text]

NEW DELHI, July 8 (UNI).

PRIME Minister Rajiv Gandhi today urged the states to evolve a positive policy which would treat water as a national resource.

Stating that inter-state river water disputes resulted mainly in colossal loss of precious water, Mr. Gandhi said the country was also wasting more water than it was using, whether it was in irrigation, urban supplies or elsewhere. "It is time we tightened up on this use."

Mr. Gandhi, who is the chairman of the national water resources council, was inaugurating the two-day national conference of irrigation and water resources ministers here.

Mr. Gandhi said although water was perhaps the most critical natural resource, it was being squandered in "totally irresponsible" manner.

"In fact, sometimes our attitudes are so negative that we allow it to damage our own areas, but we will not allow it to go into another state or into another district..."

Underlining the need for a more effective and efficient use of water, Mr. Gandhi said there should be no room for "petty parochialism" in this matter. Water must be seen as a national resource.

BASIN APPROACH

The Union minister for water resources, Mr. B. Shankaranand called for integrated development of river basins to rectify some "aberrations and imbalances" in national water resources development.

A general weakness in the development of water resources so far, he said, was the lack of a basin approach. The approach remained mostly project-oriented, he said.

The conference was preceded by a series of regional meetings of irrigation ministers of states over the last one month to discuss problems, solutions, and needs of the regions in regard to water resources development.

Pointing out that most of the rivers in the country were inter-state in nature, Mr. Shankaranand said that for economically harnessing the waters and preventing land degradation, it was necessary to undertake water resource planning, development and management of basin, sub-basin and command area basin.

There was no point in importing surface water to those areas where usable ground water was available in adequate quantities. Besides, further development of ground water in areas where the water levels were falling should be reviewed and remedial measures for regular development should be undertaken urgently.

Integrated development and conjunctive use of water resources was the only solution to a number of problems in irrigation, he said.

Mr. Shankaranand said one of the major hurdles in the future integrated development of the basins could be "too much of compartmentalisation" of water-associated activities.

The development of surface irrigation, ground water, domestic and in-

dustrial supplies treatment of effluents, flood control measures and navigational structures were all being handled by different agencies in an isolated manner.

PEOPLE'S MOVEMENT

Another important common national issue was farmers' participation in water resources development.

Their involvement so far had been "rather poor". Somehow, water resources development appeared to have remained mostly a "bureaucratic or technocratic exercise."

In future it would have to be made a people's movement, he added. Not only at the operational and management stage, but even at the conceptual stage, it was necessary to involve the people — both beneficiaries and the affected people — so that a socially balanced programme would emerge.

The minister said he was not happy about the way the special component plan for scheduled castes and tribal sub-plans were being handled and monitored by the state departments.

The social content of the water resources development programme, specially for the weaker sections, could not be neglected, he emphasised.

GUJARAT'S PLAN

PTI adds: Gujarat proposes to set up a massive water co-operative for the entire Mahi command with the help of National Dairy Development Board, according to the state chief minister, Mr. Amarsinh Chaudhary.

The Maharashtra chief minister, Mr. S. B. Chavan, presided over one of the working groups at the conference.

The conference was divided into four groups and Mr. Chavan presided over the group which dealt with major, medium and minor irrigation projects and tribal and special component plan.

The recommendations of the four groups would be put forth for discussion before the meet tomorrow.

Group one which has its chairman the West Bengal irrigation minister, Mr. Nani Bhattacharya and co-chairman, Tamil Nadu irrigation minister, Mr. Yusuf, will discuss the planning and development of integrated water resources. It will also discuss training and research programmes for manpower planning.

/9317

CSO: 4600/1961

INDIA

PAKISTAN FREES JAILED INDIAN FISHERMEN

Bombay THE TIMES OF INDIA in English 9 Jul 86 p 7

[Article by Niranjan Bhatt]

[Text] Bulsar, July 8--Dame luck at last smiled on 92 Indian fishermen including 53 from this district, as they were released from the Bhavalpur jail of Pakistan, where they had been illegally imprisoned for more than a year.

The detenus were released on July 3 and some of them reached here on July 6.

Mr Bharat Mangal Tandel of Nani Danti village, who had been arrested on April 14 last year from a fishing vessel off the Iranian coast, disclosed that detenus had been divided into batches and released at intervals of one to three hours.

Mr Gangaram Tandel of the same village, narrating his heart-rending experience disclosed that instead of a legal repatriation, the detenus were dumped in two buses on July 3 night under heavy police escort and brought to a remote place about 90 km from Bhavalpur where they reached at 11 p.m. They were given a glass of water and later on separated again into four batches of 25 each, and taken to an isolated village at about 1 a.m.

They were grouped in two and ordered to walk from there without making any noise. They were ordered not to smoke, too.

Final Orders

Soon the five police escorts gave final orders to quick march and disappeared in the darkness of night, after informing them that they were entering the Rajasthan border.

The group walked a further 10 kms and reached a tiny village on the Indian side where they got a pot of water to wash themselves. But they did not rest till they reached a small town, "Satpari," at 10 a.m. on July 4.

They caught a state transport bus for Anupgadhi, a bigger town on the western sector of Rajasthan.

Mr Tandel said, though short of money, he along with his friends reached Bikaner, that evening from where they took a train for Ahmedabad.

Mr Bharat M. Tandel, and Mr Dalpat B. Macthi of village Termora of Umbergaon taluka, who were accompanying Mr Gangaram Tandel, had the same story to tell.

All these three youths also said that they had lost hopes of survival because of their experiences in the Pakistan jails. But, one social worker of Pakistan, Mr Abdul Sata Edhi, who is also member of the Jail Advisory Committee and a female worker whose name they did not remember, played a key role in their release.

The people of both Nani Danti and Termora were overjoyed at the detenus' return and performed special poojas.

/9317

CSO: 4600/1961

INDIA

NEW AMBASSADOR TO USSR KAUL ARRIVES IN MOSCOW

New Delhi PATRIOT in English 13 Jul 86 p 1

[Article by Rajiv Shah]

[Text] Moscow, July 12-- New Indian Ambassador to the Soviet Union T N Kaul, who arrived here this afternoon from Delhi, said that he felt "confident, hopeful and optimistic" about his second term as envoy in Moscow which begins today.

A seasoned diplomat who had passed his ICS examinations way back in 1936 and one of the first ones to be selected by Jawaharlal Nehru for the Indian diplomatic service in 1947, Mr Kaul, 73, looked fresh on arrival at the Moscow International Airport.

His first term as ambassador to the Soviet Union from 1962 to 1966, a turbulent period for India, is often recalled with nostalgia here. One of those who was instrumental in the famous Tashkent Agreement between India

and Pakistan after the 1965 war between the two countries, he is regarded as a champion of peace who regards Indo-Soviet friendship as having played an effective role in promoting security in the South Asian region.

Mr Kaul's posting once again to the Soviet Union is widely considered here as symbolising the great importance Indian Prime Minister Rajiv Gandhi attaches to Indo-Soviet relations. He has come here at another crucial time, when there is a broad feeling both among Indian diplomats as well as Soviet sources that Indo-Soviet friendship is at a level where it requires to move over from the "traditional mode" to the new areas, while fully utilising the advantages of the old and rooted ties.

Mr Kaul is the only diplomat from India who has served as ambassador both in Moscow and Washington and will simultaneously be serving his second term here.

/9317

CSO: 4600/1963

INDIA

SURVEY BEGINS ON ASSAM BORDER ROAD STRETCH

Calcutta THE SUNDAY STATESMAN in English 13 Jul 86 p 9

[Text]

GUWAHATI, July 12.—The survey of the Dhubri sector of the border road with Bangladesh has begun but it is authoritatively learnt that the alignment will be more than 150 yards from the "zero line".

The Centre obviously has taken the step since Dhaka had expressed its reservations about the construction of a border fence and road, claiming that they were incompatible with friendly relations between neighbours.

Under the mutually accepted guidelines, no defensive structures were to be constructed within 150 yards of the common demarcated border but Delhi maintains that the proposed fence and road are not defensive structures. Moreover the Centre is "committed" in this regard by the Assam accord.

The survey work was first interrupted two years ago when the Bangladesh Rifles personnel fired on an Indian party. After the Asom Gana Parishad came to power, work was resumed but abruptly stopped when the BSF withdrew its force which provided the protective cover since they were needed elsewhere. Following representations by Assam's Chief Minister, Home Minister and others, the Union Home Secretary visited Guwahati for discussions and Assam was told to wait for the Centre's green signal. It came in the form of a Rs 14.5-lakh sanction to the Assam PWD which was entrusted with the survey work by the Central PWD. Although rainfall in Assam this year

is not one-third of what it usually is, creating adverse conditions for the silt paddy, the main kharif crop, the ruling party's major problem stems from the manner in which the Assam accord is being implemented and the AGP is blaming the Centre for the delay. This is evident from Mr Profulla Mahanta's letters to Mr Rajiv Gandhi in recent weeks.

The latest, which was handed over to the Prime Minister at Silchar two days ago, expresses the "serious concern" of the State Government and the people of Assam over the delay in implementing the accord. After listing a series of issues and demands which had been discussed in detail, the letter adds that further delay will bring about public disillusionment and frustration.

On an earlier visit to New Delhi in June, Mr Mahanta had warned that the delay gave anti-accord, anti-Assam and anti-national elements an opportunity to create problems.

The AGP leaders have, however, respected the Prime Minister's desire to implement the accord and have stressed that "with your intervention and cooperation" of the Central Ministries concerned, it would be possible to resolve all those issues within a short time.

Some diehards in the AGP may favour a dramatic protest but it has been turned down. Observers are impressed by the AGP's expulsion of a party M.P. but add that what it needs is an imaginative approach and well-defined priorities.

/9317
CSO: 4600/1962

INDIA

TRIPATHI STATEMENT SCORES CONGRESS-I WORKINGS

Bombay THE TIMES OF INDIA in English 9 Jul 86 p 1

[Text]

NEW DELHI, July 8.

MR. KAMLAPATI Tripathi, Congress working president, has raised a stir again in the party, by stating that the democratic functioning of the old Congress has been jolted lately, especially because of the postponement of organisational elections for the last 14 years.

In a statement issued today, the octogenarian leader said that the party had become weak because the democratic process within the party had received a setback by the continuous postponement of elections. Imposition of PCC office-bearers and other functionaries had caused immense damage to the party, he said.

In his view, only the organisational poll (which incidentally, has once again been postponed tentatively, till October) could restore the lost glory of the Congress Party. He was confident that the party polls would be held though its schedule might be slightly recast.

MAJORITY DECISION

Mr. Tripathi called upon all active members of the party to take keen interest in the organisational elections and help in the establishment of "inner democracy" in the party.

He pointed out that the peculiarity of the old Congress set-up was that its functioning was completely democratic and members had full freedom of expression, but the majority decision was accepted by all. This process had lately been jolted.

Full freedom of expression had given strength to the Congress in the old days. There used to be a tussle among the leaders, but the majority view always prevailed, he said.

Only recently, Mr. Tripathi had created a major controversy through his letter of April 22 to the Prime Minister, Mr. Rajiv Gandhi, in which he had virtually indicted the functioning of the party and the government.

The Congress working committee had discussed the letter and Mr. Tripathi, while maintaining his right to write such letters, had clarified that none of the points in his letter remained valid following his discussions with Mr. Gandhi and in the CWC meeting.

It is no secret that Mr. Tripathi was denied renomination to the Rajya Sabha mainly because of the "leakage" of this letter to the press. It is also likely that the party post he is holding may be abolished by the end of this year.

Meanwhile, AICC made it abundantly clear that there was no "ban" imposed on Congressmen touring a state to explain the party policies in the context of gaining support for themselves in organisational elections.

Mr. R. L. Bhatia, AICC general secretary, said today that both Mr. P. C. Sethi and Mr. V. C. Shukla had met him last week and clarified that they were not doing or saying anything that was violative of party discipline.

NO PUBLIC CRITICISM

He also said that the directive, issued first by him, and then by his colleague, Mr. G. K. Mooppanar, was couched in general terms urging Congressmen to desist from voicing public criticism of the party or government. Mr. Mooppanar's directive also stated that AICC had not authorised any Congress leader to tour the state.

Meanwhile, Mr. Motilal Vora, chief minister of Madhya Pradesh, who was here to attend the irrigation ministers' conference, discussed party matters with Mr. Bhatia this evening.

Regarding Pradesh returning officers (PRO), Mr. Bhatia said that the approach of AICC was to nominate Congressmen from outside the state.

/9317

CSO: 4600/1961

INDIA

MUKHERJEE DISCUSSES SITUATION IN CONGRESS-I

Calcutta THE STATESMAN in English 12 Jul 86 pp 1, 9

[Text]

NEW DELHI, July 11.—Mr Pranab Mukherjee, former Union Finance Minister, said here today that the proposed national convention of Congressmen would be held some time in the end of September in Delhi. The convention would enable such Congressmen to finalize their future course of action and decide whether the group that would emerge would participate in the Assembly elections in West Bengal, Kerala and Haryana to be held next year.

In an informal talk with reporters, Mr Mukherjee compared the political situation in the country to that before the 1967 elections. He felt that if elections were to be simultaneously held today to the Lok Sabha and the State Assemblies, the ruling party at the Centre might not return to power.

He held that ever since the December 1984 Lok Sabha elections, in which the Congress (I) was voted to power—and people had voted for it because it had pledged in its manifesto that it would save the country from disruption and disintegration—the Congress (I) had been consistently sliding down in its electoral performance.

This was because instead of being able to bring about unity and integration, "what has taken place is the reversal of it, and the Centre had shown weakness in dealing with the forces of disruption and disintegration. Wherever a group of people has been able to show its muscle power and obstinacy, the Centre had capitulated and bended over backwards to please disruptionists. The Congress (I) president has been the architect of three accords but the party has been their victim, because the people have rejected that party in the elections held in Punjab and Assam".

The Congress (I) thereby had failed to keep up to its election pledge and that was the reason for the erosion in its credibility in preserving the unity and integrity of the country. A General Election was still three and half years away, but with its dwindling image, the party would not be able to fare well in future, he thought.

He said the regional parties in Assam, Andhra Pradesh and elsewhere and the Left Front in West Bengal, would send "large contingents" to the next Lok Sabha elections, and "you can work out in plain arithmetic how many seats the Congress (I) will get if a strong regional party emerges in the Hindi States of North India".

Mr Mukherjee pointed out that in the 1967 elections, the Congress had secured 282 seats and the non-Congress parties a total of 238 seats in the Lok Sabha. "If 40 seats had come to this side, there would have had to be a coalition Government at the Centre", he said and asked whether he foresaw a coalition Government in the 1989 elections. He said he did not rule out that possibility.

Replied to questions, Mr Mukherjee appeared to agree with the "political objective" of the new Congress group, as enunciated by Mr Sisir Bose, whom he met here today, for an exchange of views and information, as the two leaders are meeting political personalities in different States.

Mr Bose is working for a "left and democratic consolidation among Congressmen" and Mr Mukherjee approved of this aim, pointing out that the Congress had always been a Leftist party, and he expected the Leftist forces in the party to emerge again. When had the Congress not been Leftist, he asked. Tilak was Leftist, as was Mahatma Gandhi when he went to the masses. Nehru was a Leftist and Mrs Gandhi had also become a Leftist. "So Leftism is in-built in the Congress, and we are not doing anything to reverse that trend".

Mr Mukherjee said that the consultation with other Opposition parties "was just a way of exploring what possibilities there are for a consolidation of Left forces, for many of those who are in the Opposition parties today have been Congressmen before". When it was pointed out that what he (Mr Mukherjee) had so far been doing was bringing "Indira loyalists" together, Mr Mukherjee replied that there was no difference between the two moves. "What I am doing is to bring together Congressmen who have identical views and who were close to Mrs Gandhi, whose policies represent leftism. Therefore, there is nothing contradictory between the two positions."

He held the view that the present Government and the Congress (I) party had deviated from Mrs Gandhi's line of "nationalization, commanding heights of the economy for public sector enterprises, dependence on national resources and international resources, rather than on borrowed resources".

/9317

CSO: 4600/1960

INDIA

REPORTAGE ON PROBLEMS IN KERALA CPI-M

Namboodiripad on Raghavan Expulsion

Calcutta THE STATESMAN in English 10 Jul 86 p 8

[Article by S. Rajappa]

[Text]

MR E. M. S. Namboodiripad, general secretary of the CPI (M), said in Trivandrum recently that the Congress (I) was not his party's No. 1 foe. In a four-page statement defending the expulsion of Mr M. V. Raghavan, MLA, from the party, he said that the country's No. 1 enemy was "imperialism" of the USA, which was trying to bring India under its influence, as it had been doing in other Third World countries. The CPI (M), he said, supported the Rajiv Gandhi Government's fight against imperialism on the political front. The Congress (I)-led United Democratic Front Government in Kerala headed by Mr K. Karunakaran, which has earned the odium of being the most communal and the most corrupt the State has ever had, could not have survived four years in office and remain all set to complete its full term, a rare feat by local standards, but for the timely help extended by Mr Namboodiripad whenever it was on the brink.

Mr Raghavan was expelled from the CPI (M) on June 23 after a State committee meeting which was attended by, among others, Mr Namboodiripad and two more Politburo members, Mr Basavapunniah and Mr E. Balamandan. A nine-page statement on the deliberations of the State committee meeting said that Mr Raghavan had become "a victim of parliamentary infatuation" and had been trying to sabotage the party's policies which were accepted by the majority after maximum possible inner-party discussions. The decision to proceed

against Mr Raghavan and his supporters was first taken at the 12th CPI (M) congress in Calcutta last December when it was decided to suspend him for a year, and his close associate, Mr P. V. Kunhikannan, convener of the Opposition Left Democratic Front, for three months. Two other party MLAs, Mr C. P. Moosankutty and Mr C. K. Chakrapani, were censured and many more warned.

Mistake

The mistake of Mr Raghavan and followers was that they circulated an alternative document to the party's official policy at the CPI (M) State convention in Cochin last year, which, in effect, singled out the Congress (I) as its No. 1 enemy. To defeat that enemy there was no harm in forming a united front on the lines of the one promoted by Mr Namboodiripad in 1967 which included the Muslim League and the Kerala Congress. The present policy of the CPI (M) in Kerala was not to have any truck with communal parties. Mr Raghavan was also accused of creating a separate group in the party point as a member of the party secretariat in charge of youth and student movements, he was charged with trying to instill in the ranks loyalty to himself. Another complaint was that he was disrespectful to party elders. The greatest sin Mr Raghavan committed was, however, giving an interview to a local newspaper, which was

considered a challenge to the party leadership.

Mr Raghavan, replying to charges, said: "The programme adopted by our party in 1964 has made it clear that it is our duty to bring about a people's democratic revolution. The party programme also explains the united front tactics to be pursued for this purpose. While forging such fronts, the party programme clarifies that we should take into account the bourgeoisie contradictions. This means that the front we forge should be one against the Congress (I) and its Government controlled by monopoly capitalism. We can perform these functions only by coming out openly against the Congress (I)". Defending his alternative document, co-authored by N. S. Sreedharan, who was subsequently killed, Mr Raghavan said: "The rights conferred on the minorities by the Constitution are not being honoured in today's capitalist society. The bourgeoisie landlord ruling class strengthens fissiparous forces and fails to build up national unity on a firm foundation. Our party is unable to exploit these contradictions. This means that we are not able to perform the task of the people's democratic revolution and that we are helping the Congress (I). This has been proved by the Kerala experience. Mr Namboodiripad has himself stated that the UDF Government of Mr Karunakaran should complete its full term as it had the people's mandate. This makes it clear that our policy would be to help the Congress (I). Without correcting this line, we will not be able to strengthen the Left democratic movement and the CPI (M) in Kerala."

Referring to communal politics, Mr Raghavan said that the review report of the tenth party congress in Jullundar had offered answers to questions about the character of the Left and demo-

cratic parties and groups. The Jullundar congress said: "The undivided Communist Party had always adopted a sectarian, dogmatic and wrong approach to the DMK, Muslim League and Akali Dal. Our party fought valiantly to abandon these wrong attitudes and to make electoral adjustments with these parties and even to give them a place in the united front Governments." Unity of the Left and democratic forces should be forged on these lines, Mr Raghavan said, and asked: "Has the policy evolved at the tenth congress been found faulty now?" He pointed out that the Central Committee's review of the 1980 Lok Sabha and Assembly elections in Kerala came to the conclusion that "Our front in Kerala is much broader now. The Muslim League and the Kerala Congress are its constituents. The LDF is an eminent proof of the victory of a broad front against authoritarianism." The 11th party congress held in Vijayawada, endorsing the Jullundar thesis, said: "The Left Democratic Front Government in Kerala formed in 1980 lasted 21 months and paved the way for such a realignment of political forces, which was conducive to the growth of mass movement as well as to the party. Our tactical line on united fronts was correct and had helped strengthen our party and the Left democratic forces while weakening the Congress (I)."

Mr Raghavan said that he failed to understand how his alternative document, which was in keeping with the line adopted consistently by the party congress, could be termed "parliamentary revisionism." He blamed the CPI (M) leadership for trying to ensure a full five-year term to the Karunakaran Ministry. Mr Chakrapani, chief whip of the CPI (M) Legislature Party, described the expulsion of Mr Raghavan as "a cruel act of political vendetta" and called upon

CPI (M) workers to register their protest, which they have been doing increasingly. Mr Namboodiripad, who at the time of Mr Raghavan's expulsion said that "not a dog would bark," has since modified his stand. "I pray God Almighty gives me the good sense not to act as comrade Raghavan."

Polarization

The importance of Mr Raghavan lies in the implicit faith the student and youth wings of the party have in him. In Kerala, where polarization of voters has taken place to a large extent, Assembly elections are decided by a margin of 1,000 to 2,000 votes in most constituencies. In the entire Malabar region, the traditional stronghold of the LDF, Mr Raghavan and his supporters could easily mobilize 3,000 to 5,000 votes. This is the challenge the CPI (M), as leader of the LDF, must face in the next Assembly elections, due in May 1987.

Mr Raghavan is under pressure from his supporters to launch a party of his own. Past experience of expelled Communist leaders in Kerala, starting from N. C. Sekhar, followed by Mr. P. R. Gopalan, Mr P. Ganapatharan and Mr Chathunni Master, does not present a very encouraging picture. Except for Mr Gangadharan, who remained politically active by leading the Socialist Republican Party, essentially a communal outfit of the backward Ezhavas, others simply withered away. But, unlike his predecessors, Mr Raghavan draws his strength at the grassroots level. The person to grasp the political significance of Mr Raghavan's exit from the CPI (M) is Mr Karunakaran who, taking advantage of the disarray in the LDF, is planning to advance the Assembly elections to December.

Chief Whip Expelled

Bombay THE TIMES OF INDIA IN English 9 Jul 86 p 14

[Text]

TRIVANDRUM, July 8: The Kerala secretariat of CPM has suspended Mr. C. K. Chakrapani, MLA, from party membership.

The secretariat, which met here yesterday, also removed Mr. Chakrapani from the post of chief whip of the CPM legislature party. Mr. O. P. Bharatan is the new chief whip.

It decided to seek an explanation from Mr. Chakrapani, a state committee member and former editor of the party daily, "Deshabhimani," regarding his anti-party activities.

Mr. Chakrapani, a former Lok Sabha member from the Trichur region, has openly denounced the expulsion of Mr. M. V. Raghavan and condemned "the lack of inner-party democracy" in CPM.

One of the signatories of the "alternative political note" calling for a change in the party policy of having no alignment with parties such as the Muslim League and the Kerala Congress, he had been censured along with some other leaders by the secretariat in January.

Both Mr. Chakrapani and Mr. Raghavan have been organising meetings of their supporters, mainly in the Malabar region. Some of these meetings have been marred by stone-throwing and raising of slogans.

/9317

CSO: 4600/1954

INDIA

LE MONDE REPORTS ON TERRORIST ACTS AGAINST HINDUS IN PUNJAB

Paris LE MONDE in French 18 Jun 86 pp 1, 5

[Article by Patrice Claude]

[Text] Mounting assassinations of Hindus by Sikh extremists in the State of Punjab have triggered a massive protest demonstration in New Delhi. Ten thousand Hindus paraded through the streets of the capital on Monday 16 June chanting: "Call out the Army, save Punjab!" and "Rajiv Gandhi, act or step down!"

The Punjab chief of police said that he had enough men and that the army "was not trained to combat terrorism."

Amritsar. Harbans Lal is the last Hindu grocer in Chatiwind, a dusty village of 1,000 souls, lost in the fields 15 km from Amritsar. Two of his fellow tradesmen were killed last month by Sikh terrorists, and a third decided to flee with his family. Harbans Lal now wears a superb black beard and a sort of dirty turban covers his head. "My Sikh neighbors advised me to do this," he explained. "This way I have a chance of coming out alive if the terrorists come back."

Pack your bags or wear a turban. For several months now, this is the only alternative available to the minority Hindus in Punjab. Many isolated in rural areas in the three districts most infested with terrorism (Amritsar, Gurdaspur, and Firozpur) have stopped shaving. Thousands of others have left their homes, sold off their cattle, and gone to urban areas or the neighboring State of Haryana, where Hindus are in the majority.

"In a month's time, all Hindus should have left Punjab--and the Sikhs who support them, too. Those who do not leave will be killed and their houses will be burned down. It is prohibited to take down this sign under penalty of death. Signed: the 21st and 22d Battalion of the Khalistan commandos." This warning, posted on the filthy walls of Tarn-Taran, a large rural town in the Amritsar district, is more or less the same as those posted periodically in Fatehabad or Gurdaspur further to the north, near the Pakistani border.

The only difference is that there, the Khalistan Liberation Army (KLA), a rival pro-independence faction, is the one signing the injunctions and

spreading terror. In all, the police intelligence services have identified at least 37 terrorist commando groups of four to six well-trained men. Their daily missions consist in bank and store hold-ups, attacks on isolated police stations, bombing attacks in public places, and methodical machine-gunning in markets of Hindu neighborhoods. Their immediate objectives are to destabilize the government, systematically intimidate the Hindus so that they will leave, and eventually in turn force the 6 million Sikhs scattered throughout the rest of India (Footnote 1) (Nine million Sikhs live in Punjab, where they comprise 52 percent of the population. The rest are isolated in predominantly Hindu towns in other parts of India.) to return to the "country of the five rivers" (Punjab in Sanscrit).

"We have only one goal," the 27-year old head of the KLA recently told an Indian paper, "and that is Khalistan." At least 10,000 people, (Footnote 2) (Including the at least 5,000 Sikhs massacred by Hindu crowds outside Punjab following Indira Gandhi's assassination in October 1984.) including a prime minister, a hundred police, several dozen moderate politicians, priests, physicians, soldiers, tradesmen, and journalists, have already paid with their blood for the Khalistan nightmare.

The idea of a "land of the pure" (Khalistan in Punjabi), independent from India and reserved for Sikhs was first formed in 1947 in the mind of a Sikh professor, Kapour Singh, a refugee in London. At the time, the British empire in India was about to be dismantled to the benefit of Indian Moslems, who also wanted to have their "land of the pure" (Pakistan, in Urdu).

The "Khalistan Tax"

They got it. But Kapour Singh's dream, lacking popular support, was forgotten. The Sikhs, who account for less than 2 percent of the 750 million Indians, have always shown the greatest loyalty for what the Moslems sarcastically call "Hindustan." The vast majority of them are, moreover, opposed to the idea of Khalistan, revived in 1980 by another Sikh immigrant in London, Jagjit Singh Chauhan, the self-proclaimed "president" of "the Khalistani Republic in exile."

Harbans Lal, the Hindu grocer being "Sikhinized," confirms this in a way. "When I left the village 2 years ago to shelter my family from terrorism, it was my Sikh neighbors who came to get me. Business was bad in Haryana so I came back." There are now only five Hindu families left in Chattiwind. Ram Lubaye, the wholesale merchant in the village, opted to abandon everything and take refuge in a Hindu temple in Amritsar, the "holy city" of the Sikhs, where their "disciples" (Sikh in Sanscrit) are strangely in the minority.

"Two of our uncles were assassinated by terrorists last month," the family matriarch told us. "There were eight of them, armed with sawed-off machine guns, a favorite weapon of the Khalistani assassins. They took them out of the shop to execute them in the middle of the street. Later, we received a letter. It said that if we did not pay 50,000 rupees, two more members of the family would be shot." This is what is called in Punjab the "Khalistan tax," and it applies to prosperous Sikhs as well.

Terrorism and banditry frequently go together. The Khalistanis indiscriminately recruit their henchmen from unemployed students, religious fanatics, former Communists, ex-soldiers--there are 100,000 young retired soldiers in the Punjab army--and traffickers of all kinds. Black marketeering and trading in arms, alcohol, and heroin have always thrived along the Pakistani border. "It is not only in Pakistan's interest to have Punjab unstable," according to Julio Francis Ribeiro, the new strongman and police chief of the State, "but it is also in the interest of smugglers and criminals of all kinds."

Some crimes attributed to terrorism are nothing more than the execution of "contracts." As a Sikh businessman explained: "Up to the time the Khalistanis were evicted from the Golden Temple, one only had to go see them and tell them: Look, I have a Hindu competitor who is giving me trouble; I will offer 20,000 rupees to the cause if you will get rid of him for me." The practice, which was already current in the time of Bhindranwale, the "great priest" of the secessionists killed in the temple by the army in June 1984, has been taken up by his young turbaned heirs.

But precisely how many of these "Khalistani fanatics" are there? Two thousand, three thousand? Nobody knows. One thing is certain, however, acknowledges Mr Ribeiro, who has drawn up a list of 100 "men to shoot": "They are determined, well trained, and well armed." India periodically accuses Pakistan of giving them support, but it has never come up with irrefutable evidence. "In any case, the roots of the problem are in Punjab," a local professor believes, "and the Khalistani cancer even spreads to the police sometimes." Over 100 policemen, including officers, were recently fired from their jobs and even taken to court following the purge launched by Mr Ribeiro.

"Blue Star"

Some of them had closed their eyes to the terrorist machine-gunning, or had even given up their weapons too easily. Others were hiding wanted men in their homes, or were harboring Khalistani ideas. The police intelligence services estimate that 30 or 40 deserters went over to the enemy. These policemen are added to the Sikh soldiers who rebelled after the "Blue Star" operation, (Footnote 3) (Code name for the military operation against the insurgents at the Golden Temple on 4 June 1984. In 72 hours of fighting, over 1,000 people died.) several dozen of whom have never been found.

Overall, the Punjabi police, numbering 34,000 men, 80 percent of whom are Sikhs, is not highly trusted by the people. And the predominantly Hindu paramilitary forces--Central Reserve Police (CRP) and Border Security Forces (BSF)--went from 18,000 to 25,000 men in 3 months.

Half of them are posted in the border areas alone. New jeeps linked by radio and automatic weapons have been distributed to them, replacing their old guns dating from the Indian war of independence and their prehistoric trucks. But that is not enough to calm the fears of the Hindus. "Why don't they give us arms?" asks Swami Hareesh Ashram, one of the founding

fathers of "Shi Sena," a tough organization created 3 years ago to defend the disciples of Vishnu against the disciples of Guru. And the "holy man," wearing a holster across his chest, accuses the local Punjabi government, dominated by a moderate Sikh party, of having "taken sides with terrorism." "The Army alone could put an end to the Hindu exodus," he adds.

The head minister of the State, Surjit Singh Barnala, still refuses to take this extreme measure, demanded by all the Hindu political parties in India. First of all because it would signify his personal failure--and also the failure of Rajiv Gandhi, who put him where he is to have the Sikh affair settled by a Sikh government. And secondly, and primarily, because Barnala, together with the chief of police, is convinced that the army would not succeed in doing away with the terrorists. "Look at what is happening in Ulster," Mr Ribeiro advises.

"At worst, it is possible that the Army with its brutal methods would induce more people to become Khalistanis," according to Judge Bains, a Sikh magistrate appointed by Barnala to determine the fate of the over 2,000 "suspects" locked up in several northern Indian jails for the past 2 years. Terrorism-repression-retaliations, this is the infernal cycle the most prosperous state in the Indian federation has been gradually caught up in. "Ninety percent of the so-called skirmishes during which young Sikhs have been killed by the army and police since the Blue Star operation were actually pure and simple executions," Judge Bains went on to say. "The ferocious repression of the security forces has largely contributed to the current escalation."

Today it is rare to find Sikhs who have not had a friend or relative arrested, mistreated, or even killed during the weeks following Blue Star. In a basically rural region, with a 70 percent illiteracy rate and given to hyperbole, it is not so much the truth that counts as legend. The one about "massacres of innocent Sikhs by the Army" is hard to kill. And the rumor to the effect that the Hindus acted as informers for the soldiers who wanted to "break the Sikhs" is rampant in the countryside.

In the end, only one thing is absolutely certain: Sikh terrorism and repression killed 115 people in March, 60 in April, 95 in May, and a dozen more in the first week of June, and it is not over....

9805/13046
CSO: 4619/67

INDIA

HARASSED SINDHI, MURVA MUSLIMS FLEE TO INDIA

Bombay THE TIMES OF INDIA in English 27 Jun 86 p 6

[Text]

BHUJ, June 26.

DISCRIMINATION and harassment by the Punjabi Muslims led some of the Sindhi and Murva Muslims from the Hyderabad and Badin areas in Pakistan to flee to India.

This has been alleged by the Pakistanis who had settled illegally in the Kutch area. Many of them have been detected and deported but some who tried to re-enter have said in their statements to the different agencies that they were harassed by the Punjabi Muslims who dominated the forces and the police in the Sind.

The Pakistanis also said they wanted to permanently settle in the Kutch where they felt they had a better chance of survival and received better treatment.

Most of the illegal migrants are small, marginal farmers or rural artisans. Some who had been living in India for almost ten years, had ration cards and had also got their

names enrolled in the electoral rolls and had voted in the polls.

In the last decade, 987 Pakistanis were pushed back from the Kutch, but many managed to re-enter through land or sea routes. Some Pakistanis who were deported at sunset by the security forces surprisingly managed to re-enter the next morning.

Questioning of the illegal entrants has revealed that Pakistani members of a family from across the border till recently used to visit their friends and relatives in India freely to attend weddings and other family celebrations and return home after a couple of months.

Recently, six members of a family of Kotda village in the Khavda taluka were found staying in the village illegally for two months.

Mr. Lakhmir Alana Sama, the sarpanch of the Dhobana village, said marriages between the families of Sodha Rajputs of Badin in Pakistan and Kutch were common a few years back.

/9317

CSO: 4600/1932

INDIA

PAPERS REPORT ON DEVELOPMENTS IN MIZORAM

Rajiv Visit

Calcutta THE STATESMAN in English 10 Jul 86 pp 1, 9

[Article by Ashis Chakrabarti]

[Text] Aizawl, July 9--Mr Rajiv Gandhi today warned that if there was fresh violence in Mizoram despite the signing of the peace accord, the Government would not hesitate to come down on it with a "heavy hand." He made it clear that the Government would not tolerate any more violence in the State. By signing the memorandum of settlement, "we have not placed a premium on violence," he said while addressing a large public meeting in Assam Rifles Ground here today.

He said that the settlement was not possible so long as there was violence. It could be reached only when violence had stopped. The lesson, according to him, was that no one gained anything extra by violence. On the other hand, the price people had to pay was very heavy. The same was true wherever violence was used as a "political tool" in any part of the country. Violence, he said, slowed down the "legitimate" political process.

He assured the people that the Congress(I) Government at the Centre or in the State would try its best to implement the accord within the time schedule laid down in the memorandum of agreement. It required "integrity, substantial courage and a logical sequence of steps" for all the parties to implement the settlement. From our side none of these will be lacking." The settlement, he hoped, would end the two-decade-old insurgency in the State.

First Steps

For the implementation of the accord, the Prime Minister said, the first steps were the surrender of arms and the coming overground of MNA people. "There can be no slowing down of the process or any compromise on peace," he said. The process, he emphasized, must be completed as expeditiously as possible within the time frame laid down in the agreement.

Only after that the next step--the holding of the election--will be considered along with the expansion of the Assembly, the institution of an official language and the setting up of a High Court for the State. "If Mizoram is to get Statehood, the first steps will have to be completed soon," he added.

The Prime Minister, accompanied by his wife, Sonia, and two children, arrived here in the morning to a colourful welcome. Schoolchildren in bright attire sang as the Prime Minister in a grey suit and a Mizo cane cap and Sonia in a multi-coloured "ghagra" got down from a helicopter at Tuirial airfield, 25 km from here at about 10 a.m. Mrs Sonia Gandhi later changed to a traditional Mizo dress.

The Prime Minister was accompanied from Silchar, where he arrived from Delhi earlier in the morning, by Mr H.S. Dubey, Lt Governor of Mizoram. At the airfield, Mr Gandhi and his wife were received by Mr Lalthanhawla, Chief Minister of Mizoram, Major-General B.S. Dagar and other dignitaries.

At a brief cultural show at the airfield, schoolchildren presented two traditional Mizo dance numbers. The road from the airfield to the Raj Niwas was lined by colourfully attired people waving the Congress(I) flag. Halfway through the journey the Prime Minister and his wife got down from their car and rode in an open jeep waving to the crowd.

Addressing the meeting, the Prime Minister appreciated the "sacrifices" made by the Chief Minister, Mr Lalthanhawla and other State Congress(I) leaders to make the accord possible. Mr Gandhi regretted that the State's economy had suffered because of insurgency. Now that peace has dawned, he hoped that the economy would be revived. The Centre had increased the funds for Mizoram to a large extent, he said. The per capita expenditure for Mizoram in 1986-87 was Rs 950 against a national average of Rs 250. In the Seventh Plan, the State Plan expenditure has been doubled.

Agriculture

The Prime Minister announced that the Government would give a new thrust to agriculture in the State to help improve the lot of the poor. He promised fertilizer, seeds, machines and other help to bring about a "green revolution" in the State. But "you will have to make some changes in your methods," he told the gathering, because "jhoom" cultivation was uneconomical as well as damaging for the environment. A new land use policy would be introduced in the State.

The Planning Commission would soon come out with a package of new agricultural methods for the entire country, he said. In the next few weeks, a Central team would tour different parts of the State to study the problems of agriculture.

The memorandum of settlement has ensured the rights of the minorities in Mizoram. The autonomous district council will continue to exist, the Prime Minister said. The cultural heritage of Mizos and the minorities will be preserved. The Prime Minister announced that a sub-centre for the North-Eastern Zonal Cultural Council would be set up in Aizawl. The Civil Aviation Ministry was looking into the question of building an airport in the State and increasing the Vayudoot flights here.

Addressing the meeting, the Chief Minister, Mr Lalthanhawla, said that the accord between the Government of India and the MNF was a "symbol of mutual trust and mutual desire for peace." He also appreciated the role of church leaders and security forces in bringing about the settlement. He hoped that now economic backwardness would be replaced by a "new era of peace and prosperity."

PTI adds: Mr Gandhi likened the Mizoram accord to a "bird's nest." He told the public meeting at Aizawl: "A settlement like this is made possible by putting together lots and lots of large pieces. And like a bird's nest it holds together if all the pieces remain intact. If you start unravelling the strands, it would be difficult for it to stick together."

A State dinner to be hosted by the Lt Governor of Mizoram, Mr H.S. Dubey, in honour of the Prime Minister and a cultural programme scheduled for this evening were cancelled because of the death of Mr Chandra Sekhar Singh.

Our Correspondent adds from Shillong: The existing political parties in Mizoram, mainly the ruling Congress(I) and the People's Conference, are fearing a major exodus of party members who are likely to join the Mizo National Front party, led by the Chief Minister designate, Mr Laldenga.

Mr Laldenga has reportedly made it clear that he would not join the Congress(I) and his MNF party would be able to capture power in the coming election. Political observers here maintain that the exodus of party members may begin soon after Mr Laldenga formally floats his new party.

The Mizoram Finance Minister told reporters that the exodus of party members could not be ruled out. He said new Ministry would include four members from the Congress(I). The Centre has sanctioned Rs 30 lakhs for initial rehabilitation works.

Calcutta THE TELEGRAPH in English 12 Jul 86 p 7

[Text]

New Delhi, July 11 (UNI): Mr Laldenga has conveyed in writing to the Union home ministry the amendments to the Mizo National Front's constitution.

Disclosing the features of the amended constitution, Mr Laldenga said, "the constitution of provisional government of Mizoram has been discarded and declaration of independence has been abrogated and set aside."

The main aims and objects of the new constitution are:

- To protect, and preserve the cultural, social and linguistic identity of Mizo people and
- Re-unification of Mizo people under administrative unit within the Constitution of India.

The provision to safeguard Christianity has been deleted and amended to give the MNF constitution a more secular character in tune with the national outlook.

Mr Laldenga expressed confidence that the accord would be implemented in letter and spirit. To ensure this, Mr Laldenga has

given up his plans for the time being to go to London to wind up his establishment-in-exile. He feels that his presence here at this crucial juncture is necessary to see that the accord is implemented "without any hitch."

Mr Laldenga said there would be no change in the schedule for the installation for the MNF-Congress(I) coalition government on August 12.

He expected the process of laying down of arms by the underground Mizos to be over by the end of this month. Parva, Marpara and Aizawl are the centres for the laying down of arms.

The erstwhile Mizo National army chief, Tony Tawnluia, will supervise the laying down of arms in these places. Mr Tawnluia assisted Mr Laldenga in the peace talks in Delhi.

The MNF chief said the Prime Minister, Mr Rajiv Gandhi's visit to Mizoram will give new hope to the Mizos as he is the architect of the accord.

Current Situation Reviewed

Bombay THE TIMES OF INDIA in English 12 Jul 86 p 20

[Article by Seema Guha]

[Text]

AIZAWL, July 11.
THE political situation in Mizoram is currently in a state of flux. The general euphoria about the accord has, for the time being, eclipsed all other considerations. Mizos all over are rejoicing the return of peace to their strife-torn land. Political equations in Mizoram will undergo a drastic transformation as an aftermath of the accord. The Congress party, come to power during the 1984 elections, with the promise of initiating discussions between the MNF and the Central government. The party was aided by the underground during the elections. Now it will find itself pitted against its one-time ally in the polls which are scheduled to be held six months from now.

Already the strain of finally stepping down and handing the chief ministership to Mr. Laldenga is showing on Mr. Lalthanhawia. In public appearances he has put on a brave front and repeated that was willing to step down in the interest of solving the Mizo embroglio. Mr. Lalthanhawia and his cabinet colleagues are now, however, rather apprehensive of what the future has in store for them. As interim chief minister, Mr. Laldenga, will be in a position to make full use of the government machinery for political ends though the cabinet will have five Congress ministers and four MNF representatives.

CHARISMATIC LEADER

A charismatic nationalist leader like the MNF leader will get abundant support from the bureaucracy and the police. Apart from protest, the Congress can do little about the enthusiasm and support he will initially be able to muster. Also recent events have shown that Mr. Laldenga will continue to bitterly attack the present chief minister notwithstanding his role in the solution of the Mizo problem.

The current Mizoram tour by the Prime Minister, Mr. Rajiv Gandhi, has by all accounts been a grand success. Yet it is doubtful whether when it comes to the crux this enthusiasm will be converted into votes for the Congress. As the secretary of the information office of the MNF, Mr. Aithanga, pointed out "we are happy to have the Prime Minister in our land in his personal capacity as Mizos have always had regard for the Gandhi family. This, however, does not mean that our people are with his party".

MNF supporters feel that while the Congress government both at the Centre and in the state have helped in bringing about a settlement, it is the MNF which embodies the true spirit of Mizo nationalism as such. When it comes to the elections the people, by and large, remembering the sacrifices of the MNF for their cause will come out in large numbers to give their mandate to Mr. Laldenga.

NO CAKE-WALK

However, it is certain that the MNF, after it converts itself into a political party, may not have a cake-walk. Besides the Congress, the People's Conference of Brig. Sailo is determined to give a tough fight to the MNF. Relations between the PCC and the MNF have always been strained and Mr. Sailo will begin his campaign against Mr. Laldenga soon after the MNF converts itself into a political party.

The main thrust of People's Conference will be to point out that Mr. Laldenga, after 20 years of fighting, could not get any concessions from the Centre. Mr. Laldenga has brought statchood to Mizoram by resorting to armed struggle, and the sacrifice of hundreds of thousands of lives.

After years of fighting Mr. Laldenga could get nothing more for his people than what the constitution allowed for all Indian citizens. At the moment Brig. Sailo will not directly attack the MNF for fear of being misunderstood by the people. However, the sitting MP, Mr. Lalduhawa, who broke away from the Congress in March this year, has no qualms of being misunderstood.

Mr. Lalduhawa, a former IPS officer, who joined the Congress in 1984 before the election, left the party because he felt that the chief minister and his colleagues hindered the negotiations by refusing to step down from power.

According to the sitting MP, it was he who initiated the negotiations between Mr. Laldenga and the Centre believing that the Congress was serious about bringing peace to the land. However, on assuming power the chief minister changed his stance when the Central leaders, including the Prime Minister, asked him to step down.

Mr. Lalthanhawia repeatedly emphasised that stepping down from the chief ministership would adversely affect the prospects of the Congress. According to Mr. Lalduhawa, it was pressure from him and his followers that led to the accord.

It is now very difficult to foresee the future turn of Mizo politics. Much will depend on how Mr. Laldenga functions during the six months of the interim government. Political observers here believe that after the present enthusiasm is over, Mr. Laldenga will be judged by the way he functions. By that time, much of the glamour associated with him will also wear off as a state government employee put it "Mr. Laldenga in London and Mr. Laldenga in Delhi is all very well. But Mr. Laldenga in Aizawl will be an entirely different proposition."

At present, the MNF leader is riding a wave of popularity. Cassettes of his speeches in Mizoram, are being sold for Rs. 30 each and are being snatched up all over. The next six months will be crucial for Mizoram and may throw up a number of surprises.

/9317

CSO: 4600/1955

INDIA

BRIEFS

PETROLEUM MINISTER DIES--July 9--The Union Minister of State for Petroleum, Mr Chandra Shekhar Singh, died of cancer at the All India Institute of Medical Sciences in New Delhi at 9.40 a.m. on Wednesday. He was 59. Mr Chandra Shekhar Singh is survived by his wife, Mrs Manorama Singh (former Congress-I MP from Banka), two sons and a daughter. His body was flown to Patna this evening for cremation at his ancestral village, Mellepur, In Monghyr district on Thursday. From Patna, the body will be taken in a special train to Mallepur. Mr Chandra Shekhar Singh was flown to New York, USA for treatment on June 25. But he remained there only until June 28 and returned to India the next day. He was admitted to the All India Institute of Medical Sciences on June 29. His condition was so serious that he had to be taken to the institute straight from the airport, according to members of his family. Among those who visited his 15 Ashoka Road residence in New Delhi to pay homage were the President, Giani Zail Singh; the Home Minister, Mr Buta Singh; the Union Minister for Urban Development, Mr Abdul Ghafoor; the Union Minister of State for Public Enterprises, Mr K.K. Tiwari and the Lieutenant-Governor of Delhi, Mr H.L. Kapur. All offices of the Petroleum Ministry were closed on Wednesday as a mark of respect to the memory of Mr Chandra Shekhar Singh and the national flag flew at half mast in the capital. [Excerpt] [Calcutta THE STATESMAN in English 10 Jul 86 p 1] /9317

CSO: 4600/1956

IRAN

DETAILS OF ECONOMIC DISCUSSIONS WITH USSR, TURKEY ANNOUNCED

Tehran KEYHAN in Persian 19 Jun 86 p 1, 18

[Text] Economic Service--Our country's minister of heavy industries, who is currently in Turkey as head of an economic-industrial delegation, last night called on Turgut Ozal, prime minister of Turkey and presented a written message from Mir Hoseyn Musavi, prime minister of the Islamic Republic of Iran.

According to this report, during the meeting which lasted more than an hour, Engineer Behzad Nabavi, minister of heavy industries imparted the latest developments of the imposed war and also the results of the negotiations of the Iranian delegation which had travelled to Turkey. The prime minister of Turkey while expressing his happiness at meeting the head of the Iranian economic delegation, asked Engineer Behzad Nabavi to impart his sincerity and friendship to the president and prime minister of the Islamic Republic of Iran.

While emphasizing the importance of economic and industrial cooperation between the two countries of Iran and Turkey, the Turkish prime minister made favorable remarks about the possibility of re-establishing air travel between Turkey and Iran.

Continuation of Negotiations

Yesterday afternoon, Engineer Behzad Nabavi met with Mostafa Titiz, minister of state of Turkey and discussed the results of the decisions of the two countries' economic delegations with him. At this meeting it was decided, with due consideration to the possibilities of the Islamic Republic of Iran in the area of production and sale of heavy machinery, that the Turkish government would provide proper accommodation [facilitating means] in order to allow Iran to participate in the bidding process on contracts in Turkey.

Likewise, it was determined that a joint commission composed of the officials of the ministries of both sides would be formed within the next two months to discuss the issue of transportation between the two countries.

At this meeting, Mostafa Titiz announced that the Turkish government will provide the necessary facilitating means for Iran to buy sugar from Turkey. Similarly, as regards Turkish cooperation with Iran for the purpose of facilitating the export of Iranian fruits and vegetables to other countries, it was decided that Turkey will buy the said products in bulk from Iran and export them to other countries.

Gas Trunk Line

Yesterday Engineer Behzad Nabavi met with Kazim Oksay, minister of state of Turkey and talked about various economic issues such as the possibility for the construction of a gas trunk line from Iran to Turkey.

At this meeting it was determined that during the next month the representatives from both countries would meet and decide on the framework of the agreement. Similarly, it was decided that within the next three months the economic feasibility of the said plan would be investigated accordingly.

According to this report, last night at the dinner reception which was held at the Embassy of the Islamic Republic of Iran in Turkey, Mostafa Titiz in a statement noted that through recent negotiations by both sides it was proven that one can overcome all the difficulties by hard work and good-will and thus keep the volume of commercial trade between the two countries at a satisfactory level.

Moreover, while pointing to the worldwide oil price reduction and its unfavorable effect on the economic situation of the region's countries, he said: The negotiations by both sides eliminated this unfavorable effect and demonstrated that we can resolve our problems and increase the volume of our trade to the level which was predicted in the relevant protocol of 1986.

In a like manner, Engineer Behzad Nabavi in a statement while acknowledging his satisfaction from the results of the meetings of both sides, stated: All the technical and economic negotiations are progressing in the best possible form and so far they have been very fruitful. He further added: The revision and the pertinent amendment which has been included in the memorandum of understanding has qualitatively promoted the economic relations of the two countries to a high level and the relevant figures pertaining to the export of non-oil commodities of Iran to Turkey or other countries through this country are quite unbelievable.

We are quite certain that the same way that we were able to execute the previous protocol, we will likewise be successful in repeating the performance this year too.

12719

CSO: 4640/403

IRAN

RESUMPTION OF COOPERATION WITH USSR ANNOUNCED

Tehran KEYHAN in Persian 19 Jun 86 p 18

[Text] Economic Service--Following the visit of a team of Soviet experts to Iran it was announced that the 10th Russo-Iranian Permanent Economic Cooperation Commission, headed by the economic ministers of the two countries, will be held in Tehran after a suspension of six years.

According to a report of the Public Relations Office of the Ministry of Economic Affairs and Finance, Dr Afjeh'i, deputy minister of economic and international affairs of this ministry in an interview discussed the results of the visit of the Soviet economic delegation to Iran. He said that the abovementioned task force while holding several meetings with the relevant officials of our country also conducted negotiations in the four specialized committees [power, industry, mines, transportation and commerce] and at the end of the negotiations pertinent accords were signed between the directors-general of the two countries.

Dr Afjeh'i went on to add: It was decided that after the approval of the provisions of the above-stated agreements by the relevant authorities of both countries they could be used as the blueprint for the 10th session of the ministers of economy of the two countries which is scheduled to be held in Tehran by the end of 1986.

Furthermore, he said: For the resumption of work on the power stations of Martyr Motahari in Esfahan, Varamin and Ahwaz it was decided to start the negotiations in the beginning of August in Moscow. Similarly, the issues pertaining to the completion of the first phase expansion of the Esfahan Steel Mills with an annual capacity of 1.9 million tons of steel, are to be discussed on the level of expertise and technical know-how both in Tehran and Moscow.

In addition to the above, other issues such as the expansion and resumption of work on the Prefabricated Homes Factory of Iran and the Arak Machinery Plant, expansion of commercial relations, particularly expansion of land, air and sea transportation between the two countries, resolving of the existing impediments in the area of our trade, rial computation [accounts] and other common technical and economic issues of interest to both sides were discussed.

One of the points of agreement between the two delegations was the draft for the joint cooperation of the two countries for the construction of Khoda Afarin's water and power installations and that of Diz Qalehsi on the Aras border river.

Moreover, the deputy minister of economic and international affairs of the Ministry of Economic Affairs and Finance also announced that both sides have agreed that the long-term agreement for the exchange of commodities between the two countries be renewed until 11/1/1366 [February 1968]. Additionally, other issues such as the expansion of economic cooperation in the area of joint shipping in the Caspian Sea, cooperation in the field of agriculture, exchange of information and experts on agricultural issues, fishery and stockbreeding comprised some of the suggestions which were discussed.

Here it should be noted that the team of Soviet experts headed by Yagobov was in Tehran from 11 to 17 of June.

12719

CSO: 4640/403

IRAN

TRADE EXPANSION WITH GDR EXAMINED

Tehran JOMHURI-YE ESLAMI in Persian 12 Jun 86 p 2

[Text] Engineer Gholamreza Shafe'i, our country's Minister of Industries, went to the Democratic Republic of Germany yesterday afternoon (Monday) at the head of a delegation.

He said that the goals of this trip are to participate in meetings of the Iran-Democratic Republic of Germany Joint Economic Commission. He announced: This meeting is being held to follow up on the implementation of the protocol signed last year between the two countries, as well as to assess and anticipate, and finally to study the possibility of expanding relations between the two countries, which will be part of the protocol to be signed for 1365 [21 Mar 1986 - 20 Mar 1987].

According to the Minister of Industries, the volume of trade between the two countries in 1364 [21 Mar 1985 - 20 Mar 1986], based on the protocol signed the previous year, should be more than 250 million dollars. Last year Iran's imports from the East Germany was 87.7 million dollars, and about 100 million dollars in oil were exported to that country. Likewise, last year non-petroleum exports to East Germany made up 16 percent of the total.

He said that Iran's non-petroleum exports to the Democratic Republic of Germany in 1364 [21 Mar 1985 - 20 Mar 1986] were chiefly edible fruits, skins, citrus fruits, melon rinds, and similar items (52.62 percent), copper (31.4 percent), seeds and oil-bearing fruits (8.04 percent), knotted carpets and rugs (2.06 percent). He said: Our imports in 1364 were chiefly machinery and mechanical implements and parts (37.6 percent), cast iron, iron, and steel (27.5 percent), machinery and electrical equipment (16 percent), and butter, plastic products, photographic supplies and other chemical and industrial products. The Minister of Industries noted: The volume of economic exchanges between the two countries was extremely limited before the revolution, so that the average level of exports from Iran to the democratic republic was 1.72 million dollars. Now, since the Islamic revolution, our average annual exports to East Germany total 66.4 million dollars.

He added: One of the very important items of exchange between the two countries is oil, which made up 84 percent of Iran's exports to that country last year. In view of the low world price for oil, clearly our ability to purchase goods has also declined. Accordingly, if we wish to keep the volume of trade and relations at a high level, naturally we must either increase the export of non-petroleum goods or increase the volume of oil exported to this country. Therefore, on this trip efforts will be made to find the necessary ways and make the necessary arrangements to maintain the level of trade and sometimes to increase it.

In conclusion Engineer Shafe'i discussed the matter of industrial cooperation between the two countries. He said: Industrial cooperation chiefly occurs in two areas. One has to do with existing industries in our country, which need raw materials whose procurement from this country is important. The other area has to do with the industries being created in our country, and in this regard we will also make use of the resources of the Democratic Republic of Germany.

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CSO: 4640/409

IRAN

INTELLIGENCE MINISTER SPEAKS AGAINST FORMATION OF MINI-GROUPS

Tehran KEYHAN in Persian 19 Jun 86 p 18

[Text] Khorramabad--KEYHAN correspondent: The minister of information together with some of his deputies, in order to inspect the General Information Office of the Lorestan Province arrived in Khorramabad and were welcomed by the responsible officials of the province.

According to our correspondent's report, the minister of information and his accompanying party after a visit and talks with the society of the clerics participated in a meeting of the Administrative and Security Council of the Lorestan Province which was attended by Jahromi, governor-general and other members of this council.

At this meeting, the governor-general of Lorestan made some statements regarding the role of the people of the region in quelling the mini-groups. Thereafter, the minister of information while pointing to a narrative from the prophet Mohammad [may God send upon him greetings and peace], stated: The most important duty of the officials and government employees is serving the people and in an Islamic Republic system the people must benefit from the postures and moves of the responsible officials.

While explaining the situation of the intelligence system at the beginning of the revolution, he said: At that time there were some individuals who did not believe in an intelligence system for the Islamic Republic and thought it would be nothing except a wasteful undertaking.

Hojjat ol-Eslam Reyshahri went on to say: The significance of an intelligence system for a government is like the nervous system in the body, if this nervous harmonization happens to be in the body of a pious man it will be used in the service of faith and if it happens to be in the body of an infidel it will thus be utilized to serve blasphemy. While addressing the responsible officials who are in charge of the various departments, he said: The thing which gives birth to a mini-group is nothing but people's dissatisfaction, and counterrevolutionary elements of such mini-groups get their nourishment from people's discontent. And even in certain cases they make every effort to create artificial dissatisfaction since their growth and survival depends on people's disgruntlement.

The minister of information further added: A person who sacrifices his dear offspring for the survival of the Islamic Republic will not become discontent

with the government for want of bread and butter and generally people are not disgruntled as a result of shortcoming or dearth of some necessities. What really makes the people discontent is nothing but discrimination, unnecessary dawdling and dallying, red tape and improper and untoward attitude of some of the responsible officials and employees of the various departments.

At the end of his speech, the minister of information explained the duties of his ministry and said: The first and foremost duty of the intelligence system of the country is to forestall or prevent the growth of the mini-groups and at the present time in the Ministry of Information more attention is being paid to the formation of organizations which prevent the birth and growth of the mini-groups rather than the organizations which are intended to encounter such groups.

12719

CSO: 4640/403

IRAN

FADLALLAH VIEWS CAUSE OF DIFFICULTIES IN BEIRUT

Tehran JOMHURI-YE ESLAMI in Persian 11 Jun 86 p 3

[Text] On the occasion of the joyous Feast of the Sacrifice, Lebanese Muslims took part in holiday prayer services held throughout this country and celebrated this divine tradition. The ISLAMIC REPUBLIC NEWS AGENCY reports that at the Feast of the Sacrifice prayer held at Imam Reza Mosque (Peace Be Upon Him) in south Beirut 'Alameh Fadhlallah gave a sermon in which he discussed the plots world imperialism is using to divert Muslims from their sacred divine goals. He stressed the necessity for awareness of the enemy's plots and said that Islamic unity is the basis for the success of Muslims. He said that the Zionist regime of Israel is the cause of all the problems of Muslims in the area. He said: We must dedicate this time to the memory of the combatants of Islam at the fronts of the war imposed on the Islamic Republic of Iran, as well as the Mojahedin of Lebanon's Mount 'Amil fighting Zionism. We must make them a model for standing steadfastly against all plots, for they have astonished the world with this will. He also characterized Lebanon's internal wars as part of imperialism's imposed war on the Muslim people, whose aim is to divert Muslims from the true struggle and to protect the regime occupying Jerusalem. He added: We will never accept solutions that impose a new war on us every ten years. That peace being discussed by the Maronite politicians of Lebanon is nothing more than a renewed quest for domination of this country by the agents of imperialism. Likewise, 'Alameh Fadhlallah described the recent fighting in the Palestinian camps as part of plans that were carried out simultaneously against the people of Lebanon and Palestine. He stressed the necessity for ending the fighting, and added: Those who claim to be enemies of Israel cannot prove their claims by failing to launch an extensive battle against this aggressive regime which insists on slaughtering and murdering our innocent people every day. War in the homes of the people is nothing but a diversion from the true fight with Israel.

CSO: 4640/408

IRAN

MUSLIMS WORLDWIDE SAID TO GIVE 1.8 MILLION DOLLARS TO FRONTS

Tehran JOMHURI-YE ESLAMI in Persian 12 Jun 86 p 2

Mashhad—JOMHURI-YE ESLAMI correspondent—The seminar for province Red Crescent directors opened yesterday morning attended by the supervisor and general secretary of this society at the Red Crescent of Mashhad's assembly hall. Our correspondent reports that a number of province officials attended this seminar. After readings of several verses from the Glorious Koran and a recitation of the anthem of the Islamic republic by the anthem group from the Red Crescent Center for Islamic Youth Training, the governor-general of Khorasan gave a talk concerning the aspirations and goals of this organization. Then Dr Vahid Dastjerdi, Supervisor and General Secretary of this organization, welcomed the audience and discussed making this fine organizations as Islamic and popular as possible. He then discussed personnel increases, budget constraints, and other problems of the Red Crescent Society. During this seminar he spoke with news correspondents, mentioning the preparedness and the activities of the society's various units. He also discussed efforts to provide aid to needy African countries. He said: Late in the year 1363 [21 Mar 1984 - 20 Mar 1985] following a speech by Ayatollah al-'Ozma Montazeri concerning help for the hungry in Africa, the Red Crescent Society announced its readiness in this matter. Fortunately the people contributed more than 11 billion rials in cash and about 20,000 tons of food, and in 1364 [21 Mar 1985 - 20 Mar 1986] two ships carrying 5,000 and 9,000 tons of food were sent to African countries by this society. The same year eight tons of medicine were airlifted to Nigeria, Guinea, Sierra Leone, and Khartoum. This year (1365 [21 Mar 1986 - 20 Mar 1987]) 60 tons of dates and cloth were sent to Tanzania, Mozambique, and Dar al-Islam. A ship with 5,000 tons of food will also soon be sent to Suuan and the Western Sahara. Such goods as medicine, ampules, and medical supplies will soon be sent to Tanzania and Africa. In the future we plan to build treatment centers for the deprived in several countries such as Tanzania, Zanzibar, Sierra Leone, and Nigeria. The General Secretary of the Red Crescent Society of Iran then added: Last year we also extended medical and food aid to Aden and Peshawar, Pakistan. One of our future goals is also to build a hospital in Bangalore, India.

He said: In Lebanon, in order to serve Imam Khomeyni Hospital of Ba'lbak supervised by the revolutionary guards and the Martyr Sadr Treatment Center at Zaynabiyeh, we have sent anesthesiologists and teams of surgeons in orthopedics, internal medicine, and pediatrics every month since 1363 [21 Mar 1984 - 20 Mar 1985], and they are providing good services daily to 200 to 300 persons in this hospital's various units.

In conclusion Dr Dastjerdi listed the services provided by this society's aides to the fronts and behind the lines. He said: Last year we sent 200 truckloads of food provided by the people as aid to the fronts. In addition to aid from the people within this country, the Muslim people of other countries also provided aid to the fronts through the Islamic republic's embassies in their

countries. Last year they donated more than 1.8 million dollars in cash aid to the fronts of the war of Truth against Falsehood. Our correspondent reports that the seminar will last three days, and when it ends, after a study of the seminar's conclusions and accomplishments, a resolution will be read.

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CSO: 4640/409

IRAN

RAFSANJANI URGES CUSTOMS OFFICIALS TO BETTER CONDUCT WITH PUBLIC

Tehran KEYHAN in Persian 23 Jun 86 p 2

[Text] The Chief of Customs, along with customs officials throughout the country, met yesterday afternoon with Majlis speaker Hojjat ol-Eslam Hashemi Rafsanjani.

During this meeting, the Majlis speaker gave a speech. He said: I am happy to meet with the brothers who have begun new efforts to solve one of the country's important problems. I believe that of all the reports and consultations I generally get on national issues, for some time the complaints and reports on customs have been decreasing.

What is behind this is definitely the active work you are doing in customs. These days, any management which succeeds makes administrative innovations, and the effects of what it does are not limited to the realm of its own work. They are imitated and encouraged by others.

This leadership and establishment of good traditions will gradually overtake the entire country. Certainly we have suffered losses so far due to delays in basic customs reforms. Those are the important gateways to our country, and you are the guardians for a great portion of the country's concerns. In a superficial analysis, it might appear damaging to the owners of goods for the goods to be held in customs, but they are businessmen in any case, seeking profits. In general they do not lose money. These losses, however, must be faced in some way by the people and even by customs employees, who must pay all of the losses out of their own pockets, and these losses touch their own families and children. When these are studied as a totality and their expenses and profits calculated, the aggregate shows a profit, and they take their profits from these very delays. Moreover, when a businessman meets with irresponsible actions on the part of the country's officials, he loses his own professional conscience and thinks everyone should act in this way. The danger and harm of unsound persons in government positions is so great that they can corrupt many people. Those who are bullied will transfer the same behavior elsewhere and take revenge in some way. This is the nature of affairs. If we try to do a better job of doing the people's work, to prevent pointless coming and going, and to keep goods from being delayed, this will be good, desirable, and a credit to the government. This is good work, and if we look at it from the point of view of income, it is also very desirable. An official may think, out of ignorance, or perhaps with good intentions, that harsh enforcement is the best way to do the government's work, but this actually hurts the system. Of course the law must not be violated, but the law's flexibility, as far as it goes, must be used and the people's work carried out. We must assign priorities in this, and ultimately this is the country's capital wealth that is lying dormant and vanishing. When the nation's capital wealth is lying dormant in the bank or anywhere else it is harmful, and customs has a basic role in this. If something remains in customs and spoils, it discourages those making use of it. You must help others, and solve this problem with the initiatives and methods you use.

If this project, meaning the initiatives mentioned by the customs chief involving making good experts by training college students, is carried out well, a basic task will have been performed.

The people of the Islamic republic expect managers and administrative and customs officials to treat them well. If a traveler encounters a bad scene immediately upon entering the country, the bitter taste of the experience will stay with him forever. Sometimes bad encounters make a person so angry that he draws a bad impression of the society from everyone he sees, and he thinks they are all the same. We have experienced these things. We have seen the effects of these encounters when we have gone to other countries. When they detained people at the country's points of entry without reason, we made judgements concerning it. Of course their harshness may have been due to political concerns, but a prejudgement was established in our mind that made us think officials in other sectors of that country such as the police and the urban officials are the same. Conversely, where they carried out the people's work more quickly it made another effect on our minds.

Continuing his remarks, Hojjat ol-Eslam Hashemi Rafsanjani added:

We commend you for this new movement, and consider it unfortunate that you did not begin sooner. We expect the other departments in your own ministry to learn from your example. The banks can also treat customers better. Now that they are operated by the government, they must not deal with customers in a worse way than they did when they were privately owned. They must strive to attract the people, using the media, the newspapers, and positive propaganda. You must all strive to do a better job. Our country's administrative system needs to operate in a way that will attract the people's attention and restore the public confidence that was lost under the former regime.

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CSO: 4640/410

IRAN

GOVERNMENT'S NEW ECONOMIC PROJECTS DETAILED

Tehran JOMHURI-YE ESLAMI in Persian 17 Jun 86 p 2

[Text] News Department—At a press conference yesterday morning Mr Mas'ud Zanjani, Minister of Plan and Budget, discussed the chief points and objectives of the government's new economic plan.

Our correspondent reports that the Minister of Plan and Budget discussed world imperialism's plot to reduce oil prices. He said: In its plot to reduce oil prices, world imperialism not only seeks to create problems with the effective administration of Iran's economy and the war, but it also seeks to transfer the economic problems of the industrial world (stagnation, unemployment, inflation) to the oil-rich nations, and to create the necessary stimuli for increased production, reduced unemployment, and arresting inflation in the Western block industrial nations, chiefly at the expense of the oil-rich nations. The power of the Islamic revolution of Iran, however, the unity of thought and action of the people and the government, and the rich manpower and natural resources of the country's economic system make it possible to confront this plot with proper planning and its effective implementation. In this way one may both prevent the realization of enemy plots and, using the new conditions, a serious new movement may be founded to cut dependence on petroleum income in the country's economic system.

Zanjani then discussed the economic characteristics of the countries of the region and of OPEC member countries, and the dependence of their economies on oil.

He said: OPEC member countries are around 95 percent dependent on oil to meet their foreign exchange needs. It is clear that dependence on one item to this degree means that the economic and political independence of these countries is contingent on a single market. There is a market where serious competitors for the export goods of these countries exist, including other producers of the same item and producers of substitute products (atomic energy, rock coal, and...), but the OPEC member countries themselves are potential competitors against one another in this market.

The Plan and Budget Minister, continuing his talk, discussed the necessity for new planning to meet new economic conditions. He said: Reductions in foreign exchange income of about 50 percent have brought the country up against economic and social problems, and in order to prevent these problems a special program has been prepared.

He stressed that we must make use of our current position to change our economic structure, which does not allow us full economic and commercial independence.

He added: With the planning that has been done, we can quickly pass through these conditions and move towards the aspirations of the Islamic revolution.

He discussed the conditions that will make it easy to implement the country's new economic plan. He said: This plan requires the unified hearts and action of the people.

He added: The centralization of decisive management, unity of direction, national resolve, and reliance on the people are the main elements of the country's new economic plan. Any policy that causes divisions and splits must be stopped so that a single direction will prevail in the implementation of the plan.

He added: Fortunately there are many favorable conditions for the success of this plan. Abundant natural and mineral resources, hard-working and skilled manpower, educational and productive capacity, as well as laudable traditions and skilled social organizations can guarantee victory for this plan.

He said: All of the country's capabilities have not yet been used, and significant income can be obtained from the country's non-petroleum resources.

The Plan and Budget Minister then discussed the chief points of the new economic plan. He said: The new plan's chief components provide for the procurement of all the country's defense needs. The people of Iran are assured that the government will not abandon the war under any circumstances.

The next goal, in view of the goals which have already been announced by society's leaders, is to give priority to the agricultural sector. We will increase its resources, because due to its lack of dependence, this sector will utilize a minimum of resources.

He stressed: The procurement of the primary necessities for the people's livelihood at fixed prices, and with a view to basic needs rather than false needs, is another of this plan's main features. Economic reform and changing the pattern of consumption in society are also part of this plan. He added: In the matter of war planning, the fronts will have top priority for all industrial, engineering, and service resources. In the agricultural sector, since our society cannot meet its basic needs abroad, the production of wheat, feed, rice, red and white meat, sugar, cotton, and grain will be given first priority. In the industrial sector, agricultural equipment will be given top priority. Reliance will be placed on the industries with maximum production. In this regard the pharmaceutical industries, the foundries, the cellulose, machinery and textile industries, and the use of electrical and water installations are especially important for agriculture, and the subject of their employment will also be considered.

He noted that unemployment is not expected to become a severe problem this year, and that the government will take steps to increase employment. Job transfers, the use of resources to prevent unemployment, and programs to support the unemployed are in the plan. He also said: Also under consideration are plans to send workers abroad and to rebuild used merchandise, and this opportunity will be used to give job promotions to specialists. He added: In the investment sector, priorities will be directed to production and employment. Concerning consumption, the Plan and Budget Minister said: Our society will move towards consuming only the goods it produces. Under the new plan consumption has been divided into primary and secondary sectors. The government will be required to procure items in the primary sector, and items in the secondary sector will be produced domestically. Under no circumstances will items not in the primary sector be authorized for import. Those factories whose products are neither in the primary nor the secondary sector will not operate, and their production lines will be changed. He added: A special pattern has also been established for housing so that a special class will not have all the resources for this purpose. The Plan and Budget Minister discussed foreign trade policy. He said:

Concerning oil exports, the government will continue to support price increases, and one of the crucial policies will be to export non-petroleum goods. The full use of agricultural export goods has been reconsidered, and in signed notes of mutual understanding to other countries the export of non-petroleum goods and a factorage policy are also under consideration. Concerning foreign exchange policy, the Plan and Budget Minister said: Under the new program the needed foreign exchange will be procured, and in the matter of foreign exchange for the service sector a policy of reduction will be implemented, and the export of services to other countries to obtain foreign exchange is also part of the plan.

Monetary policy will be geared to the volume of currency in circulation and directed to follow the overall direction of this plan. The Central Bank and the Ministry of Economic Affairs and Finance will be required to carry out that policy. He announced that this plan has been announced to the country's executive organizations, and that during the next month the government will announce its details. The Plan and Budget Minister discussed the changes in the budget enacted for 1365 [21 Mar 1986 - 20 Mar 1987]. He said: It is expected that 600 billion rials will be saved on all costs.

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CSO: 4640/408

IRAN

STATISTICS ON LARGE INDUSTRIAL FACTORIES ANNOUNCED

Tehran JOMHURI-YE ESLAMI in Persian 11 Jun 86 p 11

[Text] JOMHURI-YE ESLAMI News Department—In order to understand the country's industrial structure and to gain the appropriate information to plan industrial expansion and make economic policy, annual statistics on the country's major industrial factories beginning in the year 1351 [21 Mar 1972 – 20 Mar 1973] were taken by the Iran Statistics Center. The results of this project were printed in detailed publications entitled *Statistics on the Country's Major Industrial Factories*, *Statistics on the Country's Major Industrial Factories under Private Management*, *Statistics on the Country's Major Industrial Factories at Fixed and Current Prices*, and *Statistics on the Country's Major Industrial Factories According to Type of Goods—Consumer, Intermediate, and Investment*.

Yesterday afternoon Dr Majid Jamshidi, Chief of the Iran Statistics center, gave a press conference in which he announced the above. He added: In the year 1364 [21 Mar 1985 – 20 Mar 1986] the Iran Statistics Center, in carrying out the Major Factories Statistical Project, visited 7,500 major factories and collected information on their economic accomplishments for the year 1363 [21 Mar 1984 – 20 Mar 1985].

Statistics on the major industrial factories for the year 1363 [21 Mar 1984 – 20 Mar 1985] compared to the year 1362 [21 Mar 1983 – 20 Mar 1984] show that 97 percent of the factories active in 1362 remained active in 1363. Despite the reduction of the number of active factories, the work force in the industrial sector increased about five percent over the previous year.

The Chief of the Iran Statistics Center noted that based on statistics taken for 1363 [21 Mar 1984 – 20 Mar 1985], of all active major industrial factories, 86 percent are managed by the private sector, and 14 percent are managed by the public sector. He discussed the number of employees in the textile, clothing, leather, machinery, equipment, tool, metal products, and non-metallic ores industries, as well as the number of women employed in the industrial sector. He said: In the year 1363 593,000 persons were employed in all industries. Compared to the year 1362 [21 Mar 1983 – 20 Mar 1984] this figure represents a five percent increase, and it shows a ten percent increase over 1361 [21 Mar 1982 – 20 Mar 1983]. A study of the number of workers active in the various fields shows that the greatest number of workers (145,000, or 24.5 percent) is employed in the textiles, clothing and leather industries. The next largest number (145,000, or 23.8 percent) is employed in the machinery, equipment, tool, and metal products industries. In third place are the non-metallic ores (excepting oil products) and coal industries, with 97,000 workers, or 16.4 percent of the work force.

Likewise the number of women employed in the industrial sector is around 37,000 (6.2 percent of all workers). Most of them, meaning 10,700 of them (29.3 percent) are employed in the textile, clothing, and leather industries.

Our correspondent reports that Dr Jamshidi then compared the added value for the country's major industrial factories from 1361 [21 Mar 1982 - 20 Mar 1983] to 1363 [21 Mar 1984 - 20 Mar 1985]. He said: The added value of the country's major industrial factories at current prices was more than 1,020.1 billion rials in 1363. Each factory's share of this added value is thus more than 154.7 million rials.

A comparison of the added value for the last three years without adjusting for inflation shows that in 1363 [21 Mar 1984 - 20 Mar 1985] it increased 11 percent over 1362 [21 Mar 1983 - 20 Mar 1984] and 32 percent over 1361 [21 Mar 1982 - 20 Mar 1983].

Of the total added value created by the major industrial factories, 281.3 billion rials (27.6 percent) came from machinery, equipment, tools, and metal products industries, 219.7 billion rials (21.5 percent) came from the textile, clothing, and leather products industries, 139.5 billion rials (13.7 percent) came from non-metallic ore products industries, and 131.1 billion rials (12.8 percent) came from the food, beverages, and smoking materials industries.

A study of the distribution of added value by province shows that the greatest shares in the creation of added value belong to Tehran Province with about 446.2 billion rials (43.7 percent), Esfahan Province with 120.0 billion rials (11.8 percent) and Zanjan with 81.9 billion rials (8.0 percent).

In another portion of this interview, the Chief of the Iran Statistics Center discussed the amount of capital investment in the country's industries. He said: The amount of new investment in the country's industry is 106.6 billion rials. The average share of each factory in this investment is around 16.2 million rials. Likewise, new investments at current prices increased about five percent over 1362 [21 Mar 1983 - 20 Mar 1984] in 1363 [21 Mar 1984 - 20 Mar 1985], and about 33 percent over 1361 [21 Mar 1982 - 20 Mar 1983]. A comparison of per-factory investment in various fields shows that the highest average share, at 31.0 million rials, is in the basic metal products industries. The second highest average share is in the machinery, equipment, tools, and metal products industries at 30.6 million rials. The chemical industries have the third highest average share at 26.1 million rials. The same average figured by province ranks Zanjan Province first at 38.0 million rials, East Azarbaijan Province second at 35.1 million rials, and Khuzestan Province third at 30.9 million rials.

In 1363 [21 Mar 1984 - 20 Mar 1985] the wages and salaries paid to employees in the industrial sector totaled 561 billion rials. Wage-earners took 471 billion rials (84 percent) of this, salaried employees 90 billion rials (16 percent).

The annual average in per-employee wages and salaries for 1363 [21 Mar 1984 - 20 Mar 1985], not adjusted for inflation, was 946.1 thousand rials. This was an eight percent increase over the average for 1362 [21 Mar 1983 - 20 Mar 1984] and a 22 percent increase over the average for 1361 [21 Mar 1982 - 20 Mar 1983]. Likewise the lowest wages and salaries paid were in the Province of Sistan va Baluchestan, averaging around 555.5 thousand rials.

The average per-employee profit for the country's major industrial factories in 1363 [21 Mar 1984 - 20 Mar 1985] was about 1,719,400 rials, which is an increase of six percent over the year 1362 [21 Mar 1983 - 20 Mar 1984] and a 20 percent increase over the year 1361 [21 Mar 1982

- 20 Mar 1983]. He added: A study of the profitability of the major factories in various fields shows that in 1363 [21 Mar 1984 - 20 Mar 1985] the three most profitable industries, in descending order, were the chemical industries at 2,363,700 rials, paper and cardboard industries at 2,005,500 rials, and machinery, equipment, tools, and metal products industries at 2,995,700 rials. The lowest level of profitability was in the wood and wood products industries, at 1,074,100 rials.

By province, the three most profitable averages in descending order were Central Province at 2,226,500 rials, Zanjan Province at 1,922,500 rials, and Tehran Province at 1,893,100 rials. The lowest level of profitability by province was in Ilam Province at about 789,900 rials.

A study of the percent of the total value of raw materials taken by foreign raw materials consumed shows that 53.8 percent of the primary and raw materials consumed by factories are foreign. Compared to the previous year this represents a 0.4 percent decrease. Broken down by industrial field, for 1363 [21 Mar 1984 - 20 Mar 1985] the percent of raw materials obtained abroad in the machinery, equipment, tools, and metal products industries is 73.4 percent, it is 73.1 percent in the chemical industries, and in the basic metals production industries it is 63.5 percent.

He also said: In 1363 [21 Mar 1984 - 20 Mar 1985] the country's major industrial factories spent 344 billion rials in foreign exchange for investment and ongoing costs. This is a 35 percent increase over the year 1362 [21 Mar 1983 - 20 Mar 1984] and a 46 percent increase over 1361 [21 Mar 1982 - 20 Mar 1983].

A study of the distribution of foreign exchange consumed by the major industrial factories in 1363 [21 Mar 1984 - 20 Mar 1985] shows that of 344 billion rials 14 billion (four percent) was used for investment purposes, the remaining 330 billion (95.9 percent) for procuring raw and primary materials. A study of the breakdown of foreign exchange consumed in 1362 [21 Mar 1983 - 20 Mar 1984] reveals that in that year 10.5 percent of the total of 255 billion rials in foreign exchange consumed was used for investment purposes, while the remaining 89.5 percent was used to procure raw and primary materials. In other words, in 1363 the country's industries unfortunately spent more foreign exchange to meet expenses and less for investment than they did in 1362. Taken by industrial field, 54 percent of the foreign exchange allocated went to the machinery, equipment, and metal products industries, 16 percent went to the chemical industries, and ten percent went to the basic metals production industries. In conclusion, Jamshidi said: Changes in production for the country's major industrial factories in 1363 [21 Mar 1984 - 20 Mar 1985] compared to 1362 [21 Mar 1983 - 20 Mar 1984] shows that production increased over the previous year by about 11 percent for vegetable oil (liquid and shortening), one percent for sugar cubes and sugar, 13 percent for various kinds of cloth, eight percent for cardboard, five percent for liquid soaps and detergents, six percent for various kinds of home refrigerators, freezers, and refrigerator-freezers, 34 percent for water coolers, 37 percent for tires, inner tubes and transportation supplies, eight percent for passenger automobiles, 13 percent for cement, steel beams and sheet steel 13 percent, color televisions 12 percent, and 12 percent for washing machines. There were decreases in production from the previous year of 31 percent for caviar, three percent for butter, 12 percent for bar soap, two percent for various kinds of napkins, and three percent for various kinds of gas stoves.

9310

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IRAN

NON-OIL EXPORTS EXPECTED TO REACH 700 MILLION DOLLARS

Tehran KEYHAN in Persian 29 Jun 86 p 18

[Text] Economic Service--During the months of Farvardin and Ordibehesht [21 March - 21 May 1986] of the current year, non-oil exports of the country experienced considerable growth.

According to the report of the Public Relations office of the Export Promotion Center of Iran, in the month of Farvardin [21 March - 20 April] of current year 2.4 billion rials worth of commodities were exported which is an increase of 96 percent over the same period of last year.

Similarly, in the month of Ordibehesht [21 April - 21 May] of the current year the total export of the country reached 43.8 tons with an equivalent value of 5.4 billion rials. In comparison to the same period of last year this figure shows a 13.5 percent increase in tonnage and about 73.5 percent increase in value.

According to the same report, the extraordinary increase in the export of fresh fruits, hand-woven woolen rugs and cooper bars during the month of Ordibehesht of the current year prompted to make the total tonnage of the country's export during the first two months of the year to 61.9 tons with an equivalent value of 7.8 billion rials. In comparison to the first two months of last year, this figure shows a one percent increase in tonnage and about 72 percent increase in value.

On the other hand, as a result of a reduction in the receipt of foreign exchange from oil export and the need for new sources of foreign exchange income from non-oil products export, many of the production units throughout the country have been encouraged to resort to export in order to meet their own foreign exchange needs.

It is expected that by the end of the current year non-oil exports of the country will exceed 700 million dollars.

12719
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IRAN

NEW PROJECTS TO INCREASE NON-OIL EXPORTS ANNOUNCED

Tehran KEYHAN in Persian 29 Jun 86 p 18

[Text] Economic Service--The deputy director of the International Department of the Foundation for the Oppressed in a conversation with the correspondents explained about the new programs for the increase of non-oil products export, new sources of foreign exchange revenue for the government, assisting the export companies, the situation of the existing laws, formation of the export commission at the governors-general offices and participation of the people in the revolution of the non-oil export commodities.

According to the economic correspondent of KEYHAN, first the deputy director of the International Department of the Foundation for the Oppressed stated: The Foundation for the Oppressed feels that the need for non-oil export constitutes one of the vital economic principles of the country. It is for this reason that we have created the international deputyship office in the said foundation with three objectives: Exports, imports, training and educating the interested parties in the matter of export and import.

Following various plots by the world arrogance to bring the Islamic Republic of Iran to its knees, it has recently resorted to other stratagems such as the worldwide oil price reduction, decrease in the dollar value and also through the medium of the Ba'thist regime of Iraq, attacking the economic resources and establishments of Iran. Little do they realize that in addition to petroleum, contrary to the oil-producing countries of the region, the Islamic Republic of Iran has abundant and bountifull resources and it can neutralize the new plots of arrogance by exporting a portion of these resources.

Zabiri while pointing to the fact that the Foundation for the Oppressed, as a humanitarian organ, has realized the need for new means of export said: We have prepared special programs drawing upon our experiences in the areas of marketing, purchase and sale to foreign companies.

With due consideration to the availability of about 700 registered firms and 600 unregistered ones, and taking into account our experience with foreign sales agents, our first programs concern the matter of training our own private and government firms and organs and putting our experience at their disposal.

We can research the market for our export companies and through the sale and revenue of their export, purchase the necessary machinery and equipment at reasonable prices and put the same at their disposal.

Another of our programs pertains to our contact with various governors-general's offices and our proposal regarding the formation of Export Commissions in those offices. In some of our provinces throughout the country we have desirable or suitable items for export. For instance, in the Province of Khorrasan we have an abundant supply of cumin-seeds, saffron, barberries and varieties of plums which after resolving the issue of a proper packaging method, these items can very well be exported.

In a like manner, the above-stated commission can study the basic import needs of the people and thus set up a priority schedule for their import. In turn, we will provide all the necessary assistance and training for the members of those commissions.

Revolution in the Export of Goods

He went on to add: There are many areas for export open to the foundation; last year we exported the surplus cotton of the farmers, in a similar fashion we exported building stones to some Arabian countries in the region who previously used to import them from Italy, also we exported mineral waters, fresh and dried fruits. These are a portion of the export capability of the foundation. There are plenty of areas suitable for export and bringing in foreign exchange other than from oil, and it is only through a revolution in our export that we can realize these potentials.

Therefore with the formation of the new international affairs deputyship office in the Foundation of the Oppressed we are trying to centralize the work of our export policy and hereafter we will carry out all the export business based on relevant programs. Last year we formed the foundation's company for export products which had a positive effect on the increase of the production of export goods of the foundation.

Barter Trades

He further added: Recently we have conducted some negotiations on barter trades with several foreign firms, namely we will obtain technology and machinery from them and in turn exchange our products.

As regards the existing import-export regulations and other hampering and cumbersome administrative rules, he said: It has been proven by experience that where people's presence were included in a project we have been successful; likewise, in the export revolution the extensive presence and cooperation of the people will be needed and it is this people's presence which can solve our problem of the import-export rules.

Regarding the world market and the share of Iranian goods in this market, he said: We have lost our share in the carpet export on the world market and we must try to regain our position. On the world market we have the share of pistachios and we ought to make an effort to increase its export--besides, we have some commodities which are unique in the world.

In conclusion, he added: In the matter of export our government can play the role of a leader, it can provide guidance and encourage people to participate. The government must draw upon the past export experiences, enact the necessary laws for the export revolution and the Foundation of the Oppressed as a tool in the hands of the government will be ready to provide the needed momentum in the process of non-oil exports.

Finally, he said: In the first quarter of the current year over 3,100 tons of cotton have been exported to West Germany through the commercial deputyship office of the foundation. The foreign exchange obtained from this transaction amounts to 2.5 million dollars. Similarly, during the same period close to six tons of apples were exported to Dubai and 20 tons of pistachios and 320 tons of red travertine were exported to Spain through the aforementioned office of the foundation.

12719

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IRAN

NEW OIL TERMINAL INAUGURATED

Tehran KEYHAN in Persian 1 Jul 86 p 3

[Text] KEYHAN correspondent—The Va ol-Fajr Two oil export terminal was inaugurated and put into operation in the presence of Hojjat ol-Eslam va-ol-Moslemin Ahmadi, the Imam's representative and Friday imam of Bandar 'Abbas, along with the Governor-General of Hormozegan and several officials from this province.

This terminal was built following the Val ol-Fajr project, and it will be able to facilitate the export of oil.

The same report states that immediately after the inauguration of the Va ol-Fajr Two oil terminal it began exporting oil by means of oil tankers.

With this terminal in operation, oil exports can take place far removed from any sort of danger from the Iraqi regime.

It is to be mentioned that the Va ol-Fajr Two terminal is on Lark Island, to the south of Bandar 'Abbas, and 250 kilometers to the east of Siri Island.

Concerning this matter, the publication LLOYD's writes: Although Siri Island was not out of firing range for Iraqi aircraft, it has never yet been attacked, at the same time it will be much more difficult to reach the Va ol-Fajr Two terminal.

Engineer Tajik, Governor-General of Hormozegan, gave an interview in Bandar 'Abbas to KEYHAN's correspondent in which he announced: The Va ol-Fajr Two floating oil terminal has actually replaced the oil-loading terminals within the Persian Gulf, and our country's oil exports will be sent to other parts of the world. Discussing the characteristics of this terminal, the governor-general of Hormozegan said: Due to its highly suitable position, this terminal is protected from enemy air raids, and giant oil tankers can easily and comfortably take on oil there. He added: This terminal has a favorable effect on regional war insurance rates, and since it is out of enemy firing range, it will cause a drop in the rate for war insurance, and this will save our country millions of dollars annually.

He said: All technical engineering stages for the Bandar 'Abbas Va ol-Fajr Two terminal were carried out by Iranian engineers, experts, and specialists, and it is being presented as a new idea. Engineer Tajik discussed this terminal's operating mechanism. He said: At the Va ol-Fajr Two terminal, very large floating tanks are used, into which ships bearing export oil can unload, unload.

After that, giant oil tankers can come alongside the terminal and draw oil from these tanks. He added: Supertankers will be able to load more than 400,000 barrels daily from this terminal. He added: In following the above procedure, we will be able to meet all of our commitments, in view of the export ceiling.

IRAN

NEW CONDITIONS FOR ISSUING CONSTRUCTION PERMITS ANNOUNCED

Tehran KEYHAN in Persian 18 Jun 86 p 3

[Text] The construction industry throughout the country accounts for the highest credit figures of the Gross National Product [GNP]. With due consideration to the fact that 25 percent of the permits are issued in Tehran, if the national credit allocations for this industry are not properly directed, in addition to financial losses we will face other resultant difficulties or predicaments as well.

In a press and radio-TV interview yesterday morning Dr Shirazi'yun, deputy director of Tehran Municipality's Department of Architecture and Urban Planning gave some explanations regarding the new construction regulations, the process for the issuance of computerized building permit, the duties of the construction supervising engineers, population density in Tehran and the procedure for issuing new construction permit for those individuals who have previously received land through the former magistrate's office of Tehran Municipality.

While making the above statement he also said: The median life of a building is generally predicted to be 25 years; however, as a result of non-observance and non-execution of proper and precise technical principles and correct regulations, the life expectancy of our buildings has decreased to between 10 to 15 years thus incurring certain losses to our people and national investment. Therefore, in order to forestall the recurrence of similar losses, hereinafter in addition to the proprietor, the supervising engineer has to sign the building plans and the permit to insure more control for building construction. Of course the proprietors must not think that the fee which they have to pay to the supervising engineer is going to waste, rather in the long run it is going to be to their benefit to prevent future losses and at the same time increase the life expectancy of their building. To this end, it should be noted that in case of negligence and carelessness on the part of the supervising engineer, according to the municipality ordinance the said engineers can lose their privilege of signing the documents either temporarily or permanently, as the case might require.

He went on to add: One of the future programs for the municipality is to computerize the issuing of construction permits, which is now in the planning process. As a result of this program, when executed, we will be able to reduce the frequency of applicants' visit to the municipality. This system will be put into operation for the first time in the seventh district of the municipality in Tehran.

As regards the population density in the city of Tehran and the beautification program of the municipality for this city, he said: The city of Tehran has a natural annual growth rate of four percent and if we suppose that we have a population of 6.5 million in this city, even with the natural growth rate we are talking about a city which seems like a country in itself. Therefore, along with the population growth we have to forecast and plan for various city services such as the provision of more green space, construction of new schools and hospitals and similar other services. Unfortunately, as a result of a lack of attention to the proper or correct systematic development by the former regime, now we are faced with an unbalanced rate of population growth in various areas of the city and provision of necessary services to a city with such characteristics is not without its problems. For this reason, more than ever before we are realizing the true significance of correct urban planning principles.

He further stated: Regarding the population density in various areas of the city, particularly the southern section of Tehran, after the advent of the victory of the revolution we have restricted the construction of new building in this section, while we have increased the momentum of development activities in the northern part of the city of Tehran. To this end we have made billion of tomans of investments by buying the low lands of southern area of Tehran and providing some of the necessary city services for the people of this section. In a like fashion, we have built the green belt of Tehran which covers about 5,000 hectares of land in the southern section alone.

As regards construction permits, he said: All the building codes and samples of construction permits have been prepared in the format of a booklet and as of the latter part of June they will be made available to the applicants of building permits by all the 20 district municipality branches throughout the city.

Regarding the method for preventing population increase in Tehran, the deputy director of Tehran Municipality's Department of Architecture and Urban Planning said: One of the main reasons for the population increase in Tehran is the irregular and unsystematic migration of people from other cities who flock to Tehran. For this reason, Tehran Municipality thinks that the only way to encounter these haphazard migration is by preventing or putting an end to the business of street vendors and hawkers, limiting the extent of development throughout the city, ratifying a new urban land bill and prohibiting the issuance of economic mobilization booklet to the farmers. As regards those individuals who have acquired land through the former magistrate's office of Tehran Municipality, he said: Until now, the files of those individuals whose qualification have been ascertained by the three-member panel has been forwarded to the relevant municipality district branch and their partitioning plan has also been approved. These individuals can, after paying the value of the land and obtaining a land development slip from the Urban Land Organization, apply to one of the municipality branches in order to obtain a construction permit.

12719
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IRAN

BRIEFS

WHOLESALE PRICE INDEX RISES 0.6 PERCENT—The ISLAMIC REPUBLIC NEWS AGENCY reports that the wholesale price indicator in Iran increased 0.6 percent in the month of Ordibehesht [21 April - 21 May 1986] over the previous month [21 March - 20 April]. Compared to the figure for Ordibehesht for last year [1985] this figure shows a 13.3 percent increase. The average wholesale price indicator for the first two months of the current year [21 March - 21 May 1986] in Iran increased 10.6 over the same period the previous year. The Central Bank of the Islamic Republic of Iran, in reporting the wholesale price indicator in Iran for Ordibehesht 1365 and giving these statistics, announced: The greatest effect on the wholesale price indicator was made by increases in the price of rice, citrus fruits, and fruits with seeds and pits, along with price increases in grains, dried fruits, edible tubers, vegetable oil and shortening (due to a rise in guild rates), livestock, unginned cotton, tobacco leaves and tobacco (due to an increase in the purchase price from tobacco growers), jute, uncombed wool, mineral ores, clay, clay vessels, construction paint, cloth, carpets, lumber, steel and iron pipes, iron cable, chairs and tables, nuts and bolts, electrical supplies, motor transformers, Peykan automobiles, mini-vans, and trucks. According to this report, prices decreased in the month studied for wheat, wheat flour, barley, milk products and eggs, chickens, vine-growing and shrub fruits, and green and shrub vegetables. According to the report from the Central Bank of the Islamic Republic of Iran, compared to the month of Ordibehesht in the previous year the wholesale price indicator increased about 20 percent for foodstuffs and livestock, about 21 percent for industrial raw materials, 11 percent each for beverages, smoking materials, hides, leather and their products, five percent each for textiles, clothing and metal products, 17 percent for wood, six percent for paper and cardboard, four percent each for basic metals, machinery and transportation equipment, 24 percent for agriculture and animal husbandry products, and seven percent for construction materials. The wholesale price indicator was relatively stable in this period for mining products, chemical and petrochemical substances, and tires without a major change since the previous month of Ordibehesht, but it decreased three percent for mined fuels and their products since the same month the previous year. [Text] [Tehran JOMHURI-YE ESLAMI in Persian 17 Jun 86 p 9] 9310

REYSHAHRI ON COMBATING MINIGROUPS—Ahvaz—KEYHAN Correspondent—Contrary to the view of those who believe that the primary and basic responsibility of the Ministry of Information is to arrest and physically assault the minigroups, it must be said that its primary goal is to wage a war of ideas, and to remove the deviated thoughts and ideas of the minigroups and other deviants by attrition. Hojjat ol-Eslam Reyshahri, Minister of Intelligence, discussed the matter above at a meeting of the Khuzestan Administrative Council, and described the role and relationship of the Ministry of Intelligence with other government and revolutionary organizations. At this meeting, which was attended by the governor-general of Khuzestan, the supervisors and directors general of administrations and government and revolutionary organizations, the Minister of Information discussed the reasons for establishing the Ministry of Intelligence, the duties which have been assigned to it, and the role the people and the

officials must play to combat the plots and tricks of imperialism. He said: The awareness of the people will safeguard our revolution and its achievements, and it is through this means that we will be able to achieve our lofty goals. He then discussed the enemy's various activities and plots to hurt the new Islamic system early in the revolution. He said: Things reached a point where the minigroups detonated a bomb at the Prime Minister's security meeting. They committed that crime and martyred the president and the prime minister. This could only have happened due to weak intelligence. In conclusion he noted: The primary responsibility of the Ministry of Intelligence is to combat the ideas and policies of the minigroups, because the deviants and enemies of Islam use these very policies to plant the seeds of despair and enmity in the nation. Assuredly, if we succeed in this we will have succeeded in our intelligence work, because in so doing we will have prevented the appearance of dissatisfaction among the people. [Text] [Tehran KEYHAN in Persian 25 Jun 86 p 2] 9310

CSO: 4640/410

PAKISTAN

COMMENTARY VIEWS STUDENT CLASHES IN SIND

Lahore NAWA-I-WAGT in Urdu 7 Jun 86 p 3, 7

[Report by Mohammad Ali]

[Excerpts] During the rule of The [Pakistan] People's Party [PPP] the Jiye Sind Student Federation was able to keep its influence on account of its armed power. But after martial law was imposed in the country, the Sind PPP Student Federation increased its influence according to a set plan, inevitably coming into conflict with G. M. Sayyed group. This group clashed with every power that tried to challenge its influence in the educational institutions, but the PPP was courting the attention of the same people. In the beginning in Jiye Sind Student Federation kept up its power with the help of home-made weapons, and several members of the Sind PPP Student Federation were killed. This federation had to retreat from the educational institutions, but the PPP leadership wanted to save it from complete defeat. This was the background of the incident at the Thori railway crossing on 17 October 1984. Each group was trying to brow-beat the other on the basis of its armed strength. The Jiye Sind, however, clashed with the martial law administration of the time.

The antagonism between the followers of G. M. Sayyed and Benazir Bhutto flared up when PPP Federation President Amir Ali Aleri was abducted, beaten and threatened. After this had happened to the president, Benazir decided to change the leadership of the federation. In the federation election that took place at Garhi Khudabakgsh, on 5 January 1986 on the occasion of the celebration of Zulfiqar Ali Bhutto's birthday Faqir Mohammad Iqbal Habani was elected president. It is said that Faqir Mohammad Iqbal was not present at this election. The family of Faqir Habani are political followers of Mumtaz Bhutto. His uncle Faqir Imdad Ali Habani is a member of the provincial committee of the Sind-Baluch-Pakhtun Front. Faqir Mohammad Iqbal Habani went underground after his election, and conflicting rumors were heard of his whereabouts. Later it was discovered that he had been getting training for guerrilla warfare in a neighboring country. He organized the People's Student Federation as an armed force. He said he would answer logic with and force with force. He said that his party believed in Bhuttoism but was not willing to compromise on the rights of the smaller provinces. He said he did not want any division among the students of Sind, but would not admit in their ranks any agents of the government. He would, he said,

aim at the elimination of all such elements. At that time the Khairpur campus of Sind University was the center of the Jiye Sind Student Federation. The followers of Benazir Bhutto broke the power of the G. M. Sayyed group on this campus under the leadership of Faqir Iqbal Habani. They they achieved great success in Chadke Medical College Larkana. These successes came after many clashes in which some students were killed. The followers of Benazir wanted complete defeat of the G. M. Sayyed group that was a challenge to them in the rural areas. Faqir Iqbal Habani, on the advice of Benazir, cooperated with the other groups. He wanted to defeat the Jiye Sind Student Federation in armed strength as well as in the political field. But the G. M. Sayyed group, too, answered force with force. "The Benazir Bhutto wave" in Sind has increased the animosity between the two armed groups, and the educational institutions here are in the grip of "Kalashnikov politics."

As a result of external political pressure, the Sind People's Student Federation decided to demolish the G. M. Sayyed group's strongholds at the Sind University, the Mehran Engineering University and Liaquat Medical College. The liaison secretary of Sind People's Student Federation, Ghulan Hussain Chandeu, told NAWA-I-WAQT: "We believe in Bhuttoism. Politically we are one with the PPP. Fighting under the banner of Benazir Bhutto is like religion to us. Destruction of the enemies of Bhuttoism was the aim of Faqir Iqbal Habani, too. That is why a plot was hatched against him, and he was murdered. But now every one of the students will prove to be a Faqir Iqbal Habani. Faqir Iqbal Habani and his supporters attempted to end the Jiye Sind Student Federation's control at Sind University and its affiliated departments with the help of heavy automatic weapons, when by "chance," they clashed with the police and Faqir Iqbal Habani was killed. Benazir considers his death to be a personal loss. The Sind People's Student Federation has lost a leader that believed in armed force. This will definitely benefit the Jiye Sind Federation. Though the G. M. Sayyed group offered token condolence at the death of Faqir Iqbal Habani, they still say: "We can never cooperate with the People's Student Federation as we believe in Sindhudesh, while the People's Party believes in a united Pakistan. Our political programs and targets are different. As for the organizing committee, its members are criminals and bandits."

A change occurred in student politics after the death of Faqir Iqbal Habani, and the members of the organizing committee and the Jiye Sind Student Federation have joined the Sind People's Student Federation. After Faqir Rematulla Habani, Sattar Rajir and Zafar Rajir joined the People's Student Federation, its leadership will have to be shuffled. Miss Benazir Bhutto would like to give the leadership of this federation to a young man who could lead an armed skirmish. It is possible she would give this duty to one of the present office holders. She wants to see the organization in strong hands. The question of leadership may give rise to group antagonism within the federation. Benazir wants to avoid this. At present the Benazir and G. M. Sayyed groups seem to be at peace

with each other but a clash can start at any moment. When such a situation arises the People's Student Federation will say, "We have to fight in self-defense," and Jiye Sind Student Federation will say, "We have to fight to save the nation of Sind." Since their political platforms are different, the G. M. Sayyed group will try to impede Benazir's political progress. The G. M. Sayyed group even tried to prevent the MRD movement from changing into a "save Pakistan" campaign. Now they will try to prevent the PPP from taking possession of their strongholds in the educational institutions, for if that happens the G. M. Sayyed group will become quite powerless and the struggle for the rights of Sind will come to an end. The well-armed and enthusiastic supporters of Benazir believe in emotions and sympathy rather than arguments and Bhuttoism. They will not give up under any circumstances. It is said that Dr Hamida Khoru wanted to serve as a mediator between the armed student groups. She even drew up a formula for compromise between them, but the armed groups with their clashing loyalties were not willing to listen to her. According to an unverified news item, a prominent member of PPP Sind and former Senator Agha Ghulam Nabi Pathan, met G. M. Sayyed in San where he discussed with him the possibility of an armed clash between student groups.

Agha Ghulam Nabi Pathan is an old friend of G. M. Sayyed, but even he was unsuccessful in his political mission because G. M. Sayyed is against the PPP's pro-Punjab leanings. He thinks alliance with the PPP akin to alliance with Punjab. Though G. M. Sayyed believes in non-violence as a policy, he thinks that young Sindhis are being influenced by the mood of aggression prevalent among youth the world over. He used to think of Bhutto as the murderer of Sind who sold this province to Punjab. "But," he says, "now I have forgiven him, because in a dream I saw Shah Latif Bhjtai, Sachal Sarmast and Khairudin Jafri. Bhutto and Shahnawaz Bhutto were with them. They asked him to forgive Bhutto and I have forgiven him to please those holy men." G. M. Sayyed, however, foretold that Benazir would meet a worse end than her father because she has not learned a lesson from history, and has become a puppet in the hands of Punjab.

He says, "Benazir is not harming us. She is engaged in a power struggle against the regime. We do not believe in the politics of power. A time will soon come when Benazir will realize that she has been making mistakes, but then it will be too late. Things will have gone out of her control." It is a fact that Benazir will have to highlight Sind's problems in order to "counter" the G. M. Sayyed group. She thinks the G. M. Sayyed group is a part of Ziaul Haq's power. Now the question is: Will Benazir go on fighting against the G. M. Sayyed group in the rural areas in the fall? This group is a political minority but strong in arms. Benazir cannot negotiate with this group directly because she would lose the support of Punjab. But she can give this group some promises by way of a political compromise. We should look at the lengthy meeting between Professor Ghulam Mustafa Shah and Benazir in this light. It is possible that Mumtaz Bhutto will, after meeting G. M. Sayyed, try to make peace between the armed groups of students. Though Benazir will not like it,

it will benefit the PPP. Now that Ghulam Mustafa Jatoi has left the field, Mumtaz Bhutto can help to break Benazir's political isolation. The Sind government is facing the problem of not being able to ward off lawlessness in the province. The provincial ministers are only interested in the "urban receptions," and the large Sind cabinet has not been able to stand against vying political pressures. The internal power struggle has also increased. The Sind government has lost self-confidence since it saw the exhibition, organized by Benazir Bhutto, of new automatic weapons at the Hyderabad Civil Hospital. The administration has realized how grave the situation is. "Kalashiknov Politics" has affected the nerves of the "strong circles" of the government. If Benazir begins her campaign for new elections in the fall, these automatic weapons can paralyze the administration in the rural areas. If the clash is hard it will aggravate the political differences in the province. Though the premature exhibition of the weapons alerted the administration the PPP succeeded in showing them that it would bring revolution at gun point.

12476/12640

CSO: 4656/98

SRI LANKA

GOVERNMENT CLARIFIES POSITION ON TAMILS

Madras THE HINDU in English 5 Jul 86 p 8

[Text]

The following is the text of the proposals of the Sri Lanka Government as passed on by the Government of India to the Sri Lankan Tamil organisations whose leaders are in India:

Preamble

THE Sri Lanka Government has made certain proposals and states that the said proposals may be examined within the framework of the undermentioned principles to which the Sri Lanka Government subscribes.

(i) maintenance of the unity, integrity and sovereignty of Sri Lanka;

(ii) the maintenance of the unitary character of the Sri Lanka Constitution;

(iii) the principle of devolution of powers upon the Provincial Councils within the framework of the Constitution of Sri Lanka as proposed to be amended.

2 With reference to the Northern and Eastern Provinces, in order to allay the apprehensions of any community, the Sri Lanka Government is prepared to consider the following alternative suggestions

(i) Suitable institutional arrangements to provide for the Provincial Councils in the Island, especially in the Northern Province and the Eastern Province, to consult with each other and act in co-ordination on matters of mutual interest and concern.

(ii) Suitable legal and institutional arrangements to ensure that the ethnic groups in each Province participate in the Government of the Province.

(iii) Establishment of units to give to the ethnic groups a large measure of local self-government under the control of the Provincial Government such as:

- (a) community oriented AGA Division.
- (b) Pradeshiya Sabhas in the AGA Divisions
- (c) Any other unit of local self-government.

3. A detailed note containing observations on the proposals of the Sri Lanka Government on the framework is appended as Annexure I. The Sri Lanka Government believes that further negotiations are possible to arrive at final agreement.

4. A separate note is annexed (Annexure II) on law and order and the scope of the powers devolved thereunder.

5. A separate note is annexed (Annexure III) on land settlement and the scope of the powers devolved thereunder.

Annexure I

Note on Provincial Councils

1. A Provincial Council shall be established in each Province. Law-making and Executive (including Financial) powers shall be devolved upon the Provincial Councils by suitable constitutional amendments, without resort to a referendum. After further discussion, subjects broadly corresponding to the proposals contained in Annex I to the Draft Framework of Accord and Understanding of 30-8-85 and the entries in List II and List III of the Seventh Schedule of the Indian Constitution shall be devolved upon the Provincial Councils. This will, however, be subject to the accompanying notes relating to (i) law and order; and (ii) land settlement.

2. In the Northern Province and in the Eastern Province, the Provincial Councils shall be deemed to be constituted immediately after the constitutional amendments come into force. Elections to the said Provincial Councils shall be held immediately thereafter on the basis of proportional representation.

3. In regard to the other Provinces, the existing District Councils in a Province may, at any time, opt to constitute a Provincial Council. Where a Provincial Council is constituted in any other Province, the said Provincial Council may exercise legislative powers in respect of any or all subjects devolved upon the Provincial Councils. The Provincial Council may also resolve to request Parliament to exercise legislative powers on its behalf in respect of any devolved subject.

4. There shall be a High Court in each Province. The Supreme Court of Sri Lanka will exercise Appellate and Constitutional jurisdiction.

5. The leader of the party which commands a majority in the Provincial Council shall be appointed as the Chief Minister. The other Ministers of the Council of Ministers shall be appointed on the advice of the Chief Minister.

6. The Sri Lankan side has no objection to the proposal to appoint a Governor in each Province. However, this question may be further examined.

7. Any future amendment to the constitutional provisions or any other laws providing for devolution of legislative and executive (including financial) powers shall require a 2/3rd majority as provided in the present Constitution. Any further safeguards, for example a further requirement of a referendum, may also be discussed.

8. On the establishment of a Provincial Council, it may, by a resolution, decide to grant right of audience in the Provincial Council, but without a right to vote, to the Members of Parliament elected from the Province. Such resolution shall be in force for the duration of the term of the Provincial Council.

9. A Bill passed by the Provincial Council shall become law on certification by the Chairman of the Council. If the President is of opinion that the constitutional validity of the Bill has to be decided by the Supreme Court, he may, before the Bill comes into operation, refer the same to the Supreme Court for a decision thereon. Such reference shall be made within a specified period. This may be further discussed.

10. The circumstances under which the President may dissolve a Provincial Council or remove the Provincial Government, and the conditions and limitations under which such powers may be exercised, shall be further discussed and suitable provisions made.

11. Elections to the Provincial Council shall be on the basis of proportional representation. The number of members to be elected shall be determined having regard to the population and the area of each District in the Provincial Council. The scheme of proportional representation may be discussed on the basis of the clarifications appended to the August 1985 document.

12. Disputes relating to elections to the Provincial Council shall be decided by Courts on election petitions filed before them, in the same manner as is provided now in the case of elections to Parliament.

13. The Sri Lanka side desires that the concept, powers and functions of Pradesheya Sabhas as units of local Government under a Provincial Council may be further examined and discussed.

14. The Sri Lanka side also desires that the powers and functions of other units of local government, either in existence now or which may be created in the future, may also be further examined and discussed.

15. The above represents the cardinal features of the proposed structure of Government in each Province. They will be supplemented by suitable consequential and incidental provisions.

Annexure II

Law & Order

1. The subject devolved shall be described as follows:

Public order within the Province but not including—(a) national defence, (b) national security, and (c) the use of any armed forces or any other forces under the control of the Government of Sri Lanka in aid of the civil power.

2. The Sri Lanka Police Force which shall function under the overall direction and control of the I.G.P. shall consist of—(i) the National Division (including Special Units), (ii) a Provincial Division for each Province.

2.1. The National Division shall consist of the I.G.P., D.I.Gs, S.S.Ps, A.S.Ps and other ranks recruited at the national level.

2.2. A Provincial Division shall consist of the D.I.G., S.S.Ps, S.Ps, and A.S.Ps, all seconded from the National Division and Provincial Asst. Superintendents of Police, Chief Inspectors, Inspectors, Sub-Inspectors, Sergeants and Constables recruited in the Province. Members of the Provincial Division shall be eligible for promotion to the National Division.

3. Recruitment to the National Division and promotions of Police Officers in the Provincial Divisions to the National Division shall be made by a National Police Commission composed of three members, namely—(a) the I.G.P., (b) a nominee of the President, and (c) a nominee of the Chief Justice.

3.1. The Commission shall also be responsible for promotions, transfers and disciplinary control of members of the National Division other than the I.G.P. subject to paragraph 4.1. below.

3.2. It shall hear and determine appeals from officers seconded to Provincial Divisions against whom disciplinary action has been taken by Provincial Police Commissions.

3.3. It shall set standards for recruitment and promotion of Police Officers of all Divisions and such standards shall be uniform for all Provincial Divisions.

4. Recruitment to each Provincial Division shall be made by a Provincial Police Commission composed of three members, viz. (a) the D.I.G. of the Province, (b) a nominee of the President, and (c) a nominee of the Chief Minister of the Province.

4.1. A Provincial Police Commission shall be responsible for transfers, promotions and disciplinary control over officers in the Provincial Division; for promotion of Officers of the National Division seconded to the Provincial Division up to the rank of S.S.P.; and for transfer and disciplinary control over officers seconded to the Provincial Division except the D.I.G.

Provided that any such officer against whom disciplinary action has been taken by a Provincial Police Commission shall have the right of appeal to the National Police Commission whose decision on such appeal shall be final.

5. The National Police Commission or a Provincial Police Commission shall be entitled to delegate such of its powers as may be prescribed to

such other person or authority as may be prescribed.

6. The I.G.P. shall appoint a D.I.G. for each Province with the concurrence of the Chief Minister of the Province. However, where there is no agreement between the Inspector-General of Police and the Chief Minister, the matter will be referred to the President who, after due consultations with the Chief Minister, shall make the appointment.

7.1 The cadres of Police Officers of all ranks of the National Division shall be fixed by the Government of Sri Lanka. The cadre of Officers and other ranks of each Provincial Division shall be fixed by the Provincial Administration with the approval of the President having regard to: (i) area of the Province, (ii) population of the Province, and (iii) such other criteria, as may be agreed to or prescribed.

These principles shall be uniformly applied to all Provincial Divisions.

7.2 The cadres of the Provincial Divisions shall be fixed on ascertained principles such as population, area, number of Police Stations involved and other relevant considerations. These principles shall be applied to all Provincial Divisions without distinction.

7.3 The salary scales and perquisites of office enjoyed by the various ranks in the National and Provincial Divisions shall be determined by the Government of Sri Lanka after consultation with the Chief Ministers of the Provinces. The salary scales and perquisites of office as enjoyed by Members of the Provincial Divisions shall apply uniformly to all Provincial Divisions.

8. The nature, type and quantity of fire-arms and ammunition and other equipment for the National Division shall be determined by the National Police Commission. The nature, type and quantity of fire-arms and ammunition and other equipment for all Provincial Divisions shall be determined by the National Police Commission after consultation with the Provincial Police Commission and uniform standards and principles shall be applied for all Provincial Divisions.

9. Recruitment to the National Division shall be made at the ranks of P.C., S.I. and A.S.P. Recruitment to the Provincial Division shall be made at the ranks of P.C., S.I. (and P.A.S.P. rank referred to in para 2.2 above).

9.1. Recruitment to the National Division shall be made by the National Police Commission and recruitment to the Provincial Division shall be made by the Provincial Police Commission having regard to the standards of recruitment and other criteria prescribed in this behalf. Provided also that a recruit shall, on appointment set out his preferences as to the Division in which he wishes to serve and that he shall, if possible be posted to the Division of his choice with the consent of the Division concerned.

9.2. The Government of Sri Lanka shall be responsible for the training of all recruits to and of members of all Divisions of the Sri Lanka Police Force.

The Provincial Administration may with the consent of the President provide for additional training for the members of the Provincial Division.

10. Members of the National Division and the Provincial Divisions shall wear the same uniform and insignia of rank, provided that uniforms of the members of each Division shall bear a distinctive shoulder flash indicating the Division to which he belongs.

10.1. There shall be one uniformed police force in each province comprising the members of the Provincial Division and the officers seconded thereto. Members of the National Division shall ordinarily be in plain clothes provided that they may wear uniform when performing any duties in respect of the maintenance or restoration of public order as set out in paragraphs 12.1, 12.2, 12.3 and 12.4. Provided also that the I.G.P. and such other Officers as may be specified shall ordinarily be attired in uniforms.

11. All Police Officers serving in units of the National Division and Provincial Division in any Province shall function under the direction and control of the D.I.G. of such Province.

11.1. The D.I.G. of the Province shall be responsible to, and under the control of, the Chief Minister thereof in respect of the maintenance of public order in the Province.

11.2. The provisions of para 11.1 above are subject to the qualifications that—

(i) Upon the declaration of any emergency, the President may assume such powers and responsibilities of the Chief Executive and the Provincial Administration in respect of Public Order within the Province as he may by regulation provide.

(ii) Where the President is of the opinion that the security of or public order in a Province is threatened by grave internal disturbance, he may without the declaration of an emergency but in consultation with Chief Minister of such Province, by order deploy in aid of the civil power any unit of the National Division or the armed forces in the Province for the purpose of restoring public order.

Provided that every such order shall cease to be in force as soon as the President is satisfied that public order has been restored or on the expiry of 60 days from the date of the order whichever is earlier.

12.1 The Provincial Division shall be responsible for the preservation of public order within the Province and the prevention, detection and investigation of all offences (except the offences specified in the Schedule) and subject to the powers of the Attorney-General in terms of the Code of Criminal Procedure Act, the institution of prosecutions in the relevant Courts in respect of such offences.

The National Division of the Sri Lanka Police Force shall be responsible for the prevention, detection and investigation of all offences specified in the Schedule, and, subject to the powers of the Attorney-General in terms of the Code of Criminal Procedure Act, for the institution of prosecutions in the relevant Courts in respect of such offences.

12.2 Where the Provincial Administration seeks the assistance of the National Division to preserve public order within a Province, the I.G.P. shall deploy such personnel of the National Division as are necessary for the purpose, and place them under the control of the D.I.G. of the Province.

12.3 Where a State of Emergency is declared the I.G.P. may deploy such units of the National Division as he deems necessary in any Province for the restoration and maintenance of public order within such Province.

12.4 Any offence which may ordinarily be investigated by a Provincial Division may be investigated by the C.I.D. or any other unit of the National Division—

	Trincomalee	Batticaloa	Total
Allotments	12700 (approx)	18690 (approx)	31390
Sri Lanka Tamils	6960 + 19	10440 + 30	17400 + 49
Muslims	3220 + 10	4830 + 15	8050 + 25
Indian Tamils	180 + 2	270 + 3	450 + 5
	10391	15588	25979

- (a) Where the Chief Minister requests that such investigation be undertaken by the C.I.D. or any other unit of the National Division;
- (b) Where the Attorney-General/I.G.P. is of opinion that an investigation of such offence by the C.I.D. or any other unit of the National Division is necessary in the public interest and directs, after consultation with the Chief Minister, that such offence be investigated by the C.I.D. or any other unit of the National Division.

12.5 In a case falling under (a) or (b) of para 12.4 the prosecution of the offence shall be under the supervision and control of a Director of Prosecutions to be appointed in this behalf.

13. The National Division shall perform all the functions vested in the Provincial Division in any Province until a Provincial Division is established in such Province.

14. All gazetted officers of the National Division and Provincial Divisions shall be required to attain the prescribed standard in Sinhala and Tamil. All Officers of the rank of A.S.P. and above shall also be required to attain the prescribed standard of English.

Every recruit to the Sri Lanka Police Force shall have proficiency in his mother tongue. For the first promotion he shall acquire proficiency in a language other than his mother tongue. For the next promotion he shall acquire a knowledge of the third language. The three languages recognised for this purpose are Sinhala, Tamil and English.

Annexure III

Note on land settlements

The subject matter of devolution: Land, that is to say, rights in or over land, land tenures, transfer and alienation of land and land improvement shall be a devolved subject, except as provided hereinafter.

1.1. Lands which are vested in the State (State lands), will be alienated, used and disposed of in the following manner.

1.2. Lands which are required for the purpose of the Government of Sri Lanka, in respect of subjects not devolved on the Provincial Council, may be utilised without any restriction by the Government of Sri Lanka.

1.3. Insofar as any such lands are required for the purpose of the Provincial Council, in respect of subjects devolved on the Provincial Council, the Provincial Council shall formulate schemes for the use of such land in accordance with any applicable national policy. If for the purpose of

such scheme it becomes necessary for such land to be alienated or otherwise disposed of to any citizen or any other body, such alienation or disposition shall be made by the President on the advice of the Provincial Council.

1.4. The National Land Commission shall also have power to formulate policy regarding the use of State land.

2.1. Inter-Provincial irrigation and land development projects, such as the Mahaweli Development Project, shall be the responsibility of the Government of Sri Lanka.

2.2. Principles and criteria in regard to the size of holding of agricultural and homestead land arising out of inter-Provincial irrigation schemes shall be determined by the Government of Sri Lanka in consultation with the Provincial Governments.

2.3. Principles and criteria in regard to selection of allottees for settlement of land arising out of inter-Provincial schemes shall be determined by the Government of Sri Lanka, but the actual application of these principles, the selection of allottees and all other incidental matters shall be within the powers of the Provincial Government.

2.4. The Government of Sri Lanka shall establish a National Land Commission for formulating a national policy regarding land use in areas covered by inter-Provincial irrigation schemes. Such national policy will be based on technical aspects (and not on political or communal aspects). It will lay down general norms in regard to the use of land having regard to soil, climate, rainfall, soil erosion, forest cover, environmental factors, economic viability, etc. The Provincial Council shall, in exercise of its power derived above, give due regard to the national policy in regard to land use as formulated by the National Land Commission.

1. The notional entitlement of allotments of the "Tamil speaking people" in the Accelerated Mahaweli Programme has been estimated at 25,979 allotments consisting of Sri Lankan Tamils 12,787 allotments; Muslims 7,509 allotments; Indian Tamils 5,683 allotments.

2. The entitlement of allotments of the "Tamil-speaking people" in Trincomalee and Batticaloa Districts, distributed according to the ethnic population of the Districts would be approximately as follows (subject to availability and further discussions in the event of changes in available land):

3. Such a distribution would result in Sri Lanka Tamils receiving about 4,700 allotments more than they are entitled to, and Muslims receiving about 500 additional allotments. Indian Tamils would receive about 5,000 allotments less. The distribution then has to be adjusted to give the Indian

Tamil community its due share, and this would result in their ethnic proportion in these two Districts being very significantly increased.

4. The balance allotments comprising approximately 2,308 allotments in Trincomalee district and approximately 3,103 allotments in the Batticaloa district will be allotted to the Sinhalese.

5. It is therefore necessary to specify that —

"In making settlements in Systems A, B and D in the Trincomalee and Batticaloa districts, the Government will do so in a way which will not affect the ethnic proportions of those districts." Subject to paragraph 3 above.

Enclosure to Annexure III

Mahaweli Project

The total number of new allotments estimated to be available in Systems A to H under the Accelerated Mahaweli Programme is as follows:

System A	14,300
System B	37,483
System C	22,000
System D	14,800
System E	Nil
System F	Nil
System G	2,900
System H	10,000 (notional)
	<hr/>
	101,483

Therefore, the entitlements on the basis of national ethnic ratios of Sri Lankan Tamils, Muslims and Indian Tamils to the new allotments would be:

Sri Lankan Tamils	12,787
Muslims	7,509
Indian Tamils	5,683
	<hr/>
Total	25,979

This number of allotments will be made available accordingly in the Trincomalee and Batticaloa districts to the Tamil-speaking people. However, it is noted that up to date the following allotments have been alienated to Tamil-speaking families and these numbers have to be reduced from the above entitlements.

System	Tamil	Muslim	Total
A	47	822	869
B	14	91	106
C	821	568	1,389
	<hr/>	<hr/>	<hr/>
Total	882	1,481	2,363

Aide Memoire

1. Further to the Law and Order Papers of 4th and 10th May, 1986, additional Confidential Clarifications (dated 13th June, 1986) in response to the nine points raised by the Indian Delegation are appended.

2. It is proposed to discuss the question of the status and use of Tamil and English at the Political Parties' Conference. One of the proposals of the Government will be that Tamil and English should have the status these two languages have in the Constitution of India.

3. The Sri Lanka Government will be prepared to consider providing an institutional framework providing for Inter-Province coordination and consultation on matters of common interest and concern similar to that provided for in the Indian Constitution in relation to "Inter-State Councils" under Article 263. The Sri Lanka Government will also endeavour to persuade the major political parties, through the Political Parties' Conference to accept these two proposals, in paragraphs (2) and (3).

4. All these as well as other proposals should not be viewed in isolation, but as integral elements of an overall settlement provided that all other elements are accepted.

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Oct. 6 1956

IRAN

NEW OIL TERMINAL INAUGURATED

Tehran KEYHAN in Persian 1 Jul 86 p 3

[Text] KEYHAN correspondent—The Va ol-Fajr Two oil export terminal was inaugurated and put into operation in the presence of Hojjat ol-Eslam va-ol-Moslemin Ahmadi, the Imam's representative and Friday imam of Bandar 'Abbas, along with the Governor-General of Hormozegan and several officials from this province.

This terminal was built following the Val ol-Fajr project, and it will be able to facilitate the export of oil.

The same report states that immediately after the inauguration of the Va ol-Fajr Two oil terminal it began exporting oil by means of oil tankers.

With this terminal in operation, oil exports can take place far removed from any sort of danger from the Iraqi regime.

It is to be mentioned that the Va ol-Fajr Two terminal is on Lark Island, to the south of Bandar 'Abbas, and 250 kilometers to the east of Siri Island.

Concerning this matter, the publication LLOYD's writes: Although Siri Island was not out of firing range for Iraqi aircraft, it has never yet been attacked, at the same time it will be much more difficult to reach the Va ol-Fajr Two terminal.'

Engineer Tajik, Governor-General of Hormozegan, gave an interview in Bandar 'Abbas to KEYHAN's correspondent in which he announced: The Va ol-Fajr Two floating oil terminal has actually replaced the oil-loading terminals within the Persian Gulf, and our country's oil exports will be sent to other parts of the world. Discussing the characteristics of this terminal, the governor-general of Hormozegan said: Due to its highly suitable position, this terminal is protected from enemy air raids, and giant oil tankers can easily and comfortably take on oil there. He added: This terminal has a favorable effect on regional war insurance rates, and since it is out of enemy firing range, it will cause a drop in the rate for war insurance, and this will save our country millions of dollars annually.

He said: All technical engineering stages for the Bandar 'Abbas Va ol-Fajr Two terminal were carried out by Iranian engineers, experts, and specialists, and it is being presented as a new idea. Engineer Tajik discussed this terminal's operating mechanism. He said: At the Va ol-Fajr Two terminal, very large floating tanks are used, into which ships bearing export oil can unload, unload.

After that, giant oil tankers can come alongside the terminal and draw oil from these tanks. He added: Supertankers will be able to load more than 400,000 barrels daily from this terminal. He added: In following the above procedure, we will be able to meet all of our commitments, in view of the export ceiling.

IRAN

NEW CONDITIONS FOR ISSUING CONSTRUCTION PERMITS ANNOUNCED

Tehran KEYHAN in Persian 18 Jun 86 p 3

[Text] The construction industry throughout the country accounts for the highest credit figures of the Gross National Product [GNP]. With due consideration to the fact that 25 percent of the permits are issued in Tehran, if the national credit allocations for this industry are not properly directed, in addition to financial losses we will face other resultant difficulties or predicaments as well.

In a press and radio-TV interview yesterday morning Dr Shirazi'yun, deputy director of Tehran Municipality's Department of Architecture and Urban Planning gave some explanations regarding the new construction regulations, the process for the issuance of computerized building permit, the duties of the construction supervising engineers, population density in Tehran and the procedure for issuing new construction permit for those individuals who have previously received land through the former magistrate's office of Tehran Municipality.

While making the above statement he also said: The median life of a building is generally predicted to be 25 years; however, as a result of non-observance and non-execution of proper and precise technical principles and correct regulations, the life expectancy of our buildings has decreased to between 10 to 15 years thus incurring certain losses to our people and national investment. Therefore, in order to forestall the recurrence of similar losses, hereinafter in addition to the proprietor, the supervising engineer has to sign the building plans and the permit to insure more control for building construction. Of course the proprietors must not think that the fee which they have to pay to the supervising engineer is going to waste, rather in the long run it is going to be to their benefit to prevent future losses and at the same time increase the life expectancy of their building. To this end, it should be noted that in case of negligence and carelessness on the part of the supervising engineer, according to the municipality ordinance the said engineers can lose their privilege of signing the documents either temporarily or permanently, as the case might require.

He went on to add: One of the future programs for the municipality is to computerize the issuing of construction permits, which is now in the planning process. As a result of this program, when executed, we will be able to reduce the frequency of applicants' visit to the municipality. This system will be put into operation for the first time in the seventh district of the municipality in Tehran.

As regards the population density in the city of Tehran and the beautification program of the municipality for this city, he said: The city of Tehran has a natural annual growth rate of four percent and if we suppose that we have a population of 6.5 million in this city, even with the natural growth rate we are talking about a city which seems like a country in itself. Therefore, along with the population growth we have to forecast and plan for various city services such as the provision of more green space, construction of new schools and hospitals and similar other services. Unfortunately, as a result of a lack of attention to the proper or correct systematic development by the former regime, now we are faced with an unbalanced rate of population growth in various areas of the city and provision of necessary services to a city with such characteristics is not without its problems. For this reason, more than ever before we are realizing the true significance of correct urban planning principles.

He further stated: Regarding the population density in various areas of the city, particularly the southern section of Tehran, after the advent of the victory of the revolution we have restricted the construction of new building in this section, while we have increased the momentum of development activities in the northern part of the city of Tehran. To this end we have made billion of tomans of investments by buying the low lands of southern area of Tehran and providing some of the necessary city services for the people of this section. In a like fashion, we have built the green belt of Tehran which covers about 5,000 hectares of land in the southern section alone.

As regards construction permits, he said: All the building codes and samples of construction permits have been prepared in the format of a booklet and as of the latter part of June they will be made available to the applicants of building permits by all the 20 district municipality branches throughout the city.

Regarding the method for preventing population increase in Tehran, the deputy director of Tehran Municipality's Department of Architecture and Urban Planning said: One of the main reasons for the population increase in Tehran is the irregular and unsystematic migration of people from other cities who flock to Tehran. For this reason, Tehran Municipality thinks that the only way to encounter these haphazard migration is by preventing or putting an end to the business of street vendors and hawkers, limiting the extent of development throughout the city, ratifying a new urban land bill and prohibiting the issuance of economic mobilization booklet to the farmers. As regards those individuals who have acquired land through the former magistrate's office of Tehran Municipality, he said: Until now, the files of those individuals whose qualification have been ascertained by the three-member panel has been forwarded to the relevant municipality district branch and their partitioning plan has also been approved. These individuals can, after paying the value of the land and obtaining a land development slip from the Urban Land Organization, apply to one of the municipality branches in order to obtain a construction permit.

12719

CSO: 4640/402

IRAN

BRIEFS

WHOLESALE PRICE INDEX RISES 0.6 PERCENT—The ISLAMIC REPUBLIC NEWS AGENCY reports that the wholesale price indicator in Iran increased 0.6 percent in the month of Ordibehesht [21 April - 21 May 1986] over the previous month [21 March - 20 April]. Compared to the figure for Ordibehesht for last year [1985] this figure shows a 13.3 percent increase. The average wholesale price indicator for the first two months of the current year [21 March - 21 May 1986] in Iran increased 10.6 over the same period the previous year. The Central Bank of the Islamic Republic of Iran, in reporting the wholesale price indicator in Iran for Ordibehesht 1365 and giving these statistics, announced: The greatest effect on the wholesale price indicator was made by increases in the price of rice, citrus fruits, and fruits with seeds and pits, along with price increases in grains, dried fruits, edible tubers, vegetable oil and shortening (due to a rise in guild rates), livestock, unginned cotton, tobacco leaves and tobacco (due to an increase in the purchase price from tobacco growers), jute, uncombed wool, mineral ores, clay, clay vessels, construction paint, cloth, carpets, lumber, steel and iron pipes, iron cable, chairs and tables, nuts and bolts, electrical supplies, motor transformers, Peykan automobiles, mini-vans, and trucks. According to this report, prices decreased in the month studied for wheat, wheat flour, barley, milk products and eggs, chickens, vine-growing and shrub fruits, and green and shrub vegetables. According to the report from the Central Bank of the Islamic Republic of Iran, compared to the month of Ordibehesht in the previous year the wholesale price indicator increased about 20 percent for foodstuffs and livestock, about 21 percent for industrial raw materials, 11 percent each for beverages, smoking materials, hides, leather and their products, five percent each for textiles, clothing and metal products, 17 percent for wood, six percent for paper and cardboard, four percent each for basic metals, machinery and transportation equipment, 24 percent for agriculture and animal husbandry products, and seven percent for construction materials. The wholesale price indicator was relatively stable in this period for mining products, chemical and petrochemical substances, and tires without a major change since the previous month of Ordibehesht, but it decreased three percent for mined fuels and their products since the same month the previous year. [Text] [Tehran JOMHURI-YE ESLAMI in Persian 17 Jun 86 p 9] 9310

REYSHAHRI ON COMBATING MINIGROUPS--Ahvaz-KEYHAN Correspondent--Contrary to the view of those who believe that the primary and basic responsibility of the Ministry of Information is to arrest and physically assault the minigroups, it must be said that its primary goal is to wage a war of ideas, and to remove the deviated thoughts and ideas of the minigroups and other deviants by attrition. Hojjat ol-Eslam Reyshahri, Minister of Intelligence, discussed the matter above at a meeting of the Khuzestan Administrative Council, and described the role and relationship of the Ministry of Intelligence with other government and revolutionary organizations. At this meeting, which was attended by the governor-general of Khuzestan, the supervisors and directors general of administrations and government and revolutionary organizations, the Minister of Information discussed the reasons for establishing the Ministry of Intelligence, the duties which have been assigned to it, and the role the people and the

officials must play to combat the plots and tricks of imperialism. He said: The awareness of the people will safeguard our revolution and its achievements, and it is through this means that we will be able to achieve our lofty goals. He then discussed the enemy's various activities and plots to hurt the new Islamic system early in the revolution. He said: Things reached a point where the minigroups detonated a bomb at the Prime Minister's security meeting. They committed that crime and martyred the president and the prime minister. This could only have happened due to weak intelligence. In conclusion he noted: The primary responsibility of the Ministry of Intelligence is to combat the ideas and policies of the minigroups, because the deviants and enemies of Islam use these very policies to plant the seeds of despair and enmity in the nation. Assuredly, if we succeed in this we will have succeeded in our intelligence work, because in so doing we will have prevented the appearance of dissatisfaction among the people. [Text] [Tehran KEYHAN in Persian 25 Jun 86 p 2] 9310

CSO: 4640/410

PAKISTAN

COMMENTARY VIEWS STUDENT CLASHES IN SIND

Lahore NAWA-I-WAGT in Urdu 7 Jun 86 p 3, 7

[Report by Mohammad Ali]

[Excerpts] During the rule of The [Pakistan] People's Party [PPP] the Jiye Sind Student Federation was able to keep its influence on account of its armed power. But after martial law was imposed in the country, the Sind PPP Student Federation increased its influence according to a set plan, inevitably coming into conflict with G. M. Sayyed group. This group clashed with every power that tried to challenge its influence in the educational institutions, but the PPP was courting the attention of the same people. In the beginning in Jiye Sind Student Federation kept up its power with the help of home-made weapons, and several members of the Sind PPP Student Federation were killed. This federation had to retreat from the educational institutions, but the PPP leadership wanted to save it from complete defeat. This was the background of the incident at the Thori railway crossing on 17 October 1984. Each group was trying to brow-beat the other on the basis of its armed strength. The Jiye Sind, however, clashed with the martial law administration of the time.

The antagonism between the followers of G. M. Sayyed and Benazir Bhutto flared up when PPP Federation President Amir Ali Aleri was abducted, beaten and threatened. After this had happened to the president, Benazir decided to change the leadership of the federation. In the federation election that took place at Garhi Khudabakgsh, on 5 January 1986 on the occasion of the celebration of Zulfiqar Ali Bhutto's birthday Faqir Mohammad Iqbal Habani was elected president. It is said that Faqir Mohammad Iqbal was not present at this election. The family of Faqir Habani are political followers of Mumtaz Bhutto. His uncle Faqir Imdad Ali Habani is a member of the provincial committee of the Sind-Baluch-Pakhtun Front. Faqir Mohammad Iqbal Habani went underground after his election, and conflicting rumors were heard of his whereabouts. Later it was discovered that he had been getting training for guerrilla warfare in a neighboring country. He organized the People's Student Federation as an armed force. He said he would answer logic with and force with force. He said that his party believed in Bhuttoism but was not willing to compromise on the rights of the smaller provinces. He said he did not want any division among the students of Sind, but would not admit in their ranks any agents of the government. He would, he said,

aim at the elimination of all such elements. At that time the Khairpur campus of Sind University was the center of the Jiye Sind Student Federation. The followers of Benazir Bhutto broke the power of the G. M. Sayyed group on this campus under the leadership of Faqir Iqbal Habani. They they achieved great success in Chadke Medical College Larkana. These successes came after many clashes in which some students were killed. The followers of Benazir wanted complete defeat of the G. M. Sayyed group that was a challenge to them in the rural areas. Faqir Iqbal Habani, on the advice of Benazir, cooperated with the other groups. He wanted to defeat the Jiye Sind Student Federation in armed strength as well as in the political field. But the G. M. Sayyed group, too, answered force with force. "The Benazir Bhutto wave" in Sind has increased the animosity between the two armed groups, and the educational institutions here are in the grip of "Kalashnikov politics."

As a result of external political pressure, the Sind People's Student Federation decided to demolish the G. M. Sayyed group's strongholds at the Sind University, the Mehran Engineering University and Liaquat Medical College. The liaison secretary of Sind People's Student Federation, Ghulam Hussain Chande, told NAWA-I-WAQT: "We believe in Bhuttoism. Politically we are one with the PPP. Fighting under the banner of Benazir Bhutto is like religion to us. Destruction of the enemies of Bhuttoism was the aim of Faqir Iqbal Habani, too. That is why a plot was hatched against him, and he was murdered. But now every one of the students will prove to be a Faqir Iqbal Habani. Faqir Iqbal Habani and his supporters attempted to end the Jiye Sind Student Federation's control at Sind University and its affiliated departments with the help of heavy automatic weapons, when by "chance," they clashed with the police and Faqir Iqbal Habani was killed. Benazir considers his death to be a personal loss. The Sind People's Student Federation has lost a leader that believed in armed force. This will definitely benefit the Jiye Sind Federation. Though the G. M. Sayyed group offered token condolence at the death of Faqir Iqbal Habani, they still say: "We can never cooperate with the People's Student Federation as we believe in Sindhudesh, while the People's Party believes in a united Pakistan. Our political programs and targets are different. As for the organizing committee, its members are criminals and bandits."

A change occurred in student politics after the death of Faqir Iqbal Habani, and the members of the organizing committee and the Jiye Sind Student Federation have joined the Sind People's Student Federation. After Faqir Rematulla Habani, Sattar Rajir and Zafar Rajir joined the People's Student Federation, its leadership will have to be shuffled. Miss Benazir Bhutto would like to give the leadership of this federation to a young man who could lead an armed skirmish. It is possible she would give this duty to one of the present office holders. She wants to see the organization in strong hands. The question of leadership may give rise to group antagonism within the federation. Benazir wants to avoid this. At present the Benazir and G. M. Sayyed groups seem to be at peace

with each other but a clash can start at any moment. When such a situation arises the People's Student Federation will say, "We have to fight in self-defense," and Jiye Sind Student Federation will say, "We have to fight to save the nation of Sind." Since their political platforms are different, the G. M. Sayyed group will try to impede Benazir's political progress. The G. M. Sayyed group even tried to prevent the MRD movement from changing into a "save Pakistan" campaign. Now they will try to prevent the PPP from taking possession of their strongholds in the educational institutions, for if that happens the G. M. Sayyed group will become quite powerless and the struggle for the rights of Sind will come to an end. The well-armed and enthusiastic supporters of Benazir believe in emotions and sympathy rather than arguments and Bhuttoism. They will not give up under any circumstances. It is said that Dr Hamida Khoru wanted to serve as a mediator between the armed student groups. She even drew up a formula for compromise between them, but the armed groups with their clashing loyalties were not willing to listen to her. According to an unverified news item, a prominent member of PPP Sind and former Senator Agha Ghulam Nabi Pathan, met G. M. Sayyed in San where he discussed with him the possibility of an armed clash between student groups.

Agha Ghulam Nabi Pathan is an old friend of G. M. Sayyed, but even he was unsuccessful in his political mission because G. M. Sayyed is against the PPP's pro-Punjab leanings. He thinks alliance with the PPP akin to alliance with Punjab. Though G. M. Sayyed believes in non-violence as a policy, he thinks that young Sindhis are being influenced by the mood of aggression prevalent among youth the world over. He used to think of Bhutto as the murderer of Sind who sold this province to Punjab. "But," he says, "now I have forgiven him, because in a dream I saw Shah Latif Bhjtai, Sachal Sarmast and Khairudin Jafri. Bhutto and Shah Nawaz Bhutto were with them. They asked him to forgive Bhutto and I have forgiven him to please those holy men." G. M. Sayyed, however, foretold that Benazir would meet a worse end than her father because she has not learned a lesson from history, and has become a puppet in the hands of Punjab.

He says, "Benazir is not harming us. She is engaged in a power struggle against the regime. We do not believe in the politics of power. A time will soon come when Benazir will realize that she has been making mistakes, but then it will be too late. Things will have gone out of her control." It is a fact that Benazir will have to highlight Sind's problems in order to "counter" the G. M. Sayyed group. She thinks the G. M. Sayyed group is a part of Ziaul Haq's power. Now the question is: Will Benazir go on fighting against the G. M. Sayyed group in the rural areas in the fall? This group is a political minority but strong in arms. Benazir cannot negotiate with this group directly because she would lose the support of Punjab. But she can give this group some promises by way of a political compromise. We should look at the lengthy meeting between Professor Ghulam Mustafa Shah and Benazir in this light. It is possible that Mumtaz Bhutto will, after meeting G. M. Sayyed, try to make peace between the armed groups of students. Though Benazir will not like it,

it will benefit the PPP. Now that Ghulam Mustafa Jatoi has left the field, Mumtaz Bhutto can help to break Benazir's political isolation. The Sind government is facing the problem of not being able to ward off lawlessness in the province. The provincial ministers are only interested in the "urban receptions," and the large Sind cabinet has not been able to stand against vying political pressures. The internal power struggle has also increased. The Sind government has lost self-confidence since it saw the exhibition, organized by Benazir Bhutto, of new automatic weapons at the Hyderabad Civil Hospital. The administration has realized how grave the situation is. "Kalashiknov Politics" has affected the nerves of the "strong circles" of the government. If Benazir begins her campaign for new elections in the fall, these automatic weapons can paralyze the administration in the rural areas. If the clash is hard it will aggravate the political differences in the province. Though the premature exhibition of the weapons alerted the administration the PPP succeeded in showing them that it would bring revolution at gun point.

12476/12640

CSO: 4656/98

SRI LANKA

GOVERNMENT CLARIFIES POSITION ON TAMILS

Madras THE HINDU in English 5 Jul 86 p 8

[Text]

The following is the text of the proposals of the Sri Lanka Government as passed on by the Government of India to the Sri Lankan Tamil organisations whose leaders are in India:

Preamble

THE Sri Lanka Government has made certain proposals and states that the said proposals may be examined within the framework of the undermentioned principles to which the Sri Lanka Government subscribes:

(i) maintenance of the unity, integrity and sovereignty of Sri Lanka;

(ii) the maintenance of the unitary character of the Sri Lanka Constitution;

(iii) the principle of devolution of powers upon the Provincial Councils within the framework of the Constitution of Sri Lanka as proposed to be amended

2. With reference to the Northern and Eastern Provinces, in order to allay the apprehensions of any community, the Sri Lanka Government is prepared to consider the following alternative suggestions.

(i) Suitable institutional arrangements to provide for the Provincial Councils in the island, especially in the Northern Province and the Eastern Province, to consult with each other and act in co-ordination on matters of mutual interest and concern.

(ii) Suitable legal and institutional arrangements to ensure that the ethnic groups in each Province participate in the Government of the Province.

(iii) Establishment of units to give to the ethnic groups a large measure of local self-government under the control of the Provincial Government such as:

- (a) community oriented AGA Division.
- (b) Pradeshiya Sabhas in the AGA Divisions.
- (c) Any other unit of local self-government.

3. A detailed note containing observations on the proposals of the Sri Lanka Government on the framework is appended as Annexure I. The Sri Lanka Government believes that further negotiations are possible to arrive at final agreement.

4. A separate note is annexed (Annexure II) on law and order and the scope of the powers devolved thereunder.

5. A separate note is annexed (Annexure III) on land settlement and the scope of the powers devolved thereunder.

Annexure I

Note on Provincial Councils

1. A Provincial Council shall be established in each Province. Law-making and Executive (including Financial) powers shall be devolved upon the Provincial Councils by suitable constitutional amendments, without resort to a referendum. After further discussion, subjects broadly corresponding to the proposals contained in Annex I to the Draft Framework of Accord and Understanding of 30-8-85 and the entries in List II and List III of the Seventh Schedule of the Indian Constitution shall be devolved upon the Provincial Councils. This will, however, be subject to the accompanying notes relating to (i) law and order; and (ii) land settlement.

2. In the Northern Province and in the Eastern Province, the Provincial Councils shall be deemed to be constituted immediately after the constitutional amendments come into force. Elections to the said Provincial Councils shall be held immediately thereafter on the basis of proportional representation.

3. In regard to the other Provinces, the existing District Councils in a Province may, at any time, opt to constitute a Provincial Council. Where a Provincial Council is constituted in any other Province, the said Provincial Council may exercise legislative powers in respect of any or all subjects devolved upon the Provincial Councils. The Provincial Council may also resolve to request Parliament to exercise legislative powers on its behalf in respect of any devolved subject.

4. There shall be a High Court in each Province. The Supreme Court of Sri Lanka will exercise Appellate and Constitutional jurisdiction.

5. The leader of the party which commands a majority in the Provincial Council shall be appointed as the Chief Minister. The other Ministers of the Council of Ministers shall be appointed on the advice of the Chief Minister.

6. The Sri Lankan side has no objection to the proposal to appoint a Governor in each Province. However, this question may be further examined.

7. Any future amendment to the constitutional provisions or any other laws providing for devolution of legislative and executive (including financial) powers shall require a 2/3rd majority as provided in the present Constitution. Any further safeguards, for example a further requirement of a referendum, may also be discussed.

8. On the establishment of a Provincial Council, it may, by a resolution, decide to grant right of audience in the Provincial Council, but without a right to vote, to the Members of Parliament elected from the Province. Such resolution shall be in force for the duration of the term of the Provincial Council.

9. A Bill passed by the Provincial Council shall become law on certification by the Chairman of the Council. If the President is of opinion that the constitutional validity of the Bill has to be decided by the Supreme Court, he may, before the Bill comes into operation, refer the same to the Supreme Court for a decision thereon. Such reference shall be made within a specified period. This may be further discussed.

10. The circumstances under which the President may dissolve a Provincial Council or remove the Provincial Government, and the conditions and limitations under which such powers may be exercised, shall be further discussed and suitable provisions made.

11. Elections to the Provincial Council shall be on the basis of proportional representation. The number of members to be elected shall be determined having regard to the population and the area of each District in the Provincial Council. The scheme of proportional representation may be discussed on the basis of the clarifications appended to the August 1985 document.

12. Disputes relating to elections to the Provincial Council shall be decided by Courts on election petitions filed before them, in the same manner as is provided now in the case of elections to Parliament.

13. The Sri Lanka side desires that the concept, powers and functions of Pradesheya Sabhas as units of local Government under a Provincial Council may be further examined and discussed.

14. The Sri Lanka side also desires that the powers and functions of other units of local government, either in existence now or which may be created in the future, may also be further examined and discussed.

15. The above represents the cardinal features of the proposed structure of Government in each Province. They will be supplemented by suitable consequential and incidental provisions.

Annexure II

Law & Order

1. The subject devolved shall be described as follows:

Public order within the Province but not including—(a) national defence, (b) national security, and (c) the use of any armed forces or any other forces under the control of the Government of Sri Lanka in aid of the civil power.

2. The Sri Lanka Police Force which shall function under the overall direction and control of the I.G.P. shall consist of—(i) the National Division (including Special Units), (ii) a Provincial Division for each Province.

2.1. The National Division shall consist of the I.G.P., D.I.Gs, S.S.Ps, A.S.Ps and other ranks recruited at the national level.

2.2. A Provincial Division shall consist of the D.I.G., S.S.Ps, S.Ps, and A.S.Ps, all seconded from the National Division and Provincial Asst Superintendents of Police, Chief Inspectors, Inspectors, Sub-Inspectors, Sergeants and Constables recruited in the Province. Members of the Provincial Division shall be eligible for promotion to the National Division.

3. Recruitment to the National Division and promotions of Police Officers in the Provincial Divisions to the National Division shall be made by a National Police Commission composed of three members, namely—(a) the I.G.P., (b) a nominee of the President, and (c) a nominee of the Chief Justice.

3.1. The Commission shall also be responsible for promotions, transfers and disciplinary control of members of the National Division other than the I.G.P. subject to paragraph 4.1. below.

3.2. It shall hear and determine appeals from officers seconded to Provincial Divisions against whom disciplinary action has been taken by Provincial Police Commissions.

3.3. It shall set standards for recruitment and promotion of Police Officers of all Divisions and such standards shall be uniform for all Provincial Divisions.

4. Recruitment to each Provincial Division shall be made by a Provincial Police Commission composed of three members, viz. (a) the D.I.G. of the Province, (b) a nominee of the President, and (c) a nominee of the Chief Minister of the Province.

4.1. A Provincial Police Commission shall be responsible for transfers, promotions and disciplinary control over officers in the Provincial Division; for promotion of Officers of the National Division seconded to the Provincial Division up to the rank of S.S.P.; and for transfer and disciplinary control over officers seconded to the Provincial Division except the D.I.G.

Provided that any such officer against whom disciplinary action has been taken by a Provincial Police Commission shall have the right of appeal to the National Police Commission whose decision on such appeal shall be final.

5. The National Police Commission or a Provincial Police Commission shall be entitled to delegate such of its powers as may be prescribed to

such other person or authority as may be prescribed.

6. The I.G.P. shall appoint a D.I.G. for each Province with the concurrence of the Chief Minister of the Province. However, where there is no agreement between the Inspector-General of Police and the Chief Minister, the matter will be referred to the President who, after due consultations with the Chief Minister, shall make the appointment.

7.1 The cadres of Police Officers of all ranks of the National Division shall be fixed by the Government of Sri Lanka. The cadre of Officers and other ranks of each Provincial Division shall be fixed by the Provincial Administration with the approval of the President having regard to: (i) area of the Province, (ii) population of the Province, and (iii) such other criteria, as may be agreed to or prescribed.

These principles shall be uniformly applied to all Provincial Divisions.

7.2 The cadres of the Provincial Divisions shall be fixed on ascertained principles such as population, area, number of Police Stations involved and other relevant considerations. These principles shall be applied to all Provincial Divisions without distinction.

7.3 The salary scales and perquisites of office enjoyed by the various ranks in the National and Provincial Divisions shall be determined by the Government of Sri Lanka after consultation with the Chief Ministers of the Provinces. The salary scales and perquisites of office as enjoyed by Members of the Provincial Divisions shall apply uniformly to all Provincial Divisions.

8. The nature, type and quantity of fire-arms and ammunition and other equipment for the National Division shall be determined by the National Police Commission. The nature, type and quantity of fire-arms and ammunition and other equipment for all Provincial Divisions shall be determined by the National Police Commission after consultation with the Provincial Police Commission and uniform standards and principles shall be applied for all Provincial Divisions.

9. Recruitment to the National Division shall be made at the ranks of P.C., S.I. and A.S.P. Recruitment to the Provincial Division shall be made at the ranks of P.C., S.I. (and P.A.S.P. rank referred to in para 2.2 above).

9.1. Recruitment to the National Division shall be made by the National Police Commission and recruitment to the Provincial Division shall be made by the Provincial Police Commission having regard to the standards of recruitment and other criteria prescribed in this behalf. Provided also that a recruit shall, on appointment set out his preferences as to the Division in which he wishes to serve and that he shall, if possible be posted to the Division of his choice with the consent of the Division concerned.

9.2. The Government of Sri Lanka shall be responsible for the training of all recruits to and of members of all Divisions of the Sri Lanka Police Force.

The Provincial Administration may with the consent of the President provide for additional training for the members of the Provincial Division.

10. Members of the National Division and the Provincial Divisions shall wear the same uniform and insignia of rank, provided that uniforms of the members of each Division shall bear a distinctive shoulder flash indicating the Division to which he belongs.

10.1. There shall be one uniformed police force in each province comprising the members of the Provincial Division and the officers seconded thereto. Members of the National Division shall ordinarily be in plain clothes provided that they may wear uniform when performing any duties in respect of the maintenance or restoration of public order as set out in paragraphs 12.1, 12.2, 12.3 and 12.4. Provided also that the I.G.P. and such other Officers as may be specified shall ordinarily be attired in uniforms.

11. All Police Officers serving in units of the National Division and Provincial Division in any Province shall function under the direction and control of the D.I.G. of such Province.

11.1. The D.I.G. of the Province shall be responsible to, and under the control of, the Chief Minister thereof in respect of the maintenance of public order in the Province.

11.2. The provisions of para 11.1 above are subject to the qualifications that—

(i) Upon the declaration of any emergency, the President may assume such powers and responsibilities of the Chief Executive and the Provincial Administration in respect of Public Order within the Province as he may by regulation provide.

(ii) Where the President is of the opinion that the security of or public order in a Province is threatened by grave internal disturbance, he may without the declaration of an emergency but in consultation with Chief Minister of such Province, by order deploy in aid of the civil power any unit of the National Division or the armed forces in the Province for the purpose of restoring public order.

Provided that every such order shall cease to be in force as soon as the President is satisfied that public order has been restored or on the expiry of 60 days from the date of the order whichever is earlier.

12.1 The Provincial Division shall be responsible for the preservation of public order within the Province and the prevention, detection and investigation of all offences (except the offences specified in the Schedule) and subject to the powers of the Attorney-General in terms of the Code of Criminal Procedure Act, the institution of prosecutions in the relevant Courts in respect of such offences.

The National Division of the Sri Lanka Police Force shall be responsible for the prevention, detection and investigation of all offences specified in the Schedule, and, subject to the powers of the Attorney-General in terms of the Code of Criminal Procedure Act, for the institution of prosecutions in the relevant Courts in respect of such offences.

12.2 Where the Provincial Administration seeks the assistance of the National Division to preserve public order within a Province, the I.G.P. shall deploy such personnel of the National Division as are necessary for the purpose, and place them under the control of the D.I.G. of the Province.

12.3 Where a State of Emergency is declared the I.G.P. may deploy such units of the National Division as he deems necessary in any Province for the restoration and maintenance of public order within such Province.

12.4 Any offence which may ordinarily be investigated by a Provincial Division may be investigated by the C.I.D. or any other unit of the National Division—

	Trincomalee	Batticaloa	Total
Allotments	12700 (approx)	18690 (approx)	31390
Sri Lanka Tamils	6960 + 19	10440 + 30	17400 + 49
Muslims	3220 + 10	4830 + 15	8050 + 25
Indian Tamils	180 + 2	270 + 3	450 + 5
	10391	15588	25979

- (a) Where the Chief Minister requests that such investigation be undertaken by the C.I.D. or any other unit of the National Division;
- (b) Where the Attorney-General/I.G.P. is of opinion that an investigation of such offence by the C.I.D. or any other unit of the National Division is necessary in the public interest and directs, after consultation with the Chief Minister, that such offence be investigated by the C.I.D. or any other unit of the National Division.

12.5 In a case falling under (a) or (b) of para 12.4 the prosecution of the offence shall be under the supervision and control of a Director of Prosecutions to be appointed in this behalf.

13. The National Division shall perform all the functions vested in the Provincial Division in any Province until a Provincial Division is established in such Province.

14. All gazetted officers of the National Division and Provincial Divisions shall be required to attain the prescribed standard in Sinhala and Tamil. All Officers of the rank of A.S.P. and above shall also be required to attain the prescribed standard of English.

Every recruit to the Sri Lanka Police Force shall have proficiency in his mother tongue. For the first promotion he shall acquire proficiency in a language other than his mother tongue. For the next promotion he shall acquire a knowledge of the third language. The three languages recognised for this purpose are Sinhala, Tamil and English.

Annexure III

Noté on land settlements

The subject matter of devolution: Land, that is to say, rights in or over land, land tenures, transfer and alienation of land and land improvement shall be a devolved subject, except as provided hereinafter.

1.1. Lands which are vested in the State (State lands), will be alienated, used and disposed of in the following manner.

1.2. Lands which are required for the purpose of the Government of Sri Lanka, in respect of subjects not devolved on the Provincial Council, may be utilised without any restriction by the Government of Sri Lanka.

1.3. Insofar as any such lands are required for the purpose of the Provincial Council, in respect of subjects devolved on the Provincial Council, the Provincial Council shall formulate schemes for the use of such land in accordance with any applicable national policy. If for the purpose of

such scheme it becomes necessary for such land to be alienated or otherwise disposed of to any citizen or any other body, such alienation or disposition shall be made by the President on the advice of the Provincial Council.

1.4. The National Land Commission shall also have power to formulate policy regarding the use of State land.

2.1. Inter-Provincial irrigation and land development projects, such as the Mahaweli Development Project, shall be the responsibility of the Government of Sri Lanka.

2.2. Principles and criteria in regard to the size of holding of agricultural and homestead land arising out of inter-Provincial irrigation schemes shall be determined by the Government of Sri Lanka in consultation with the Provincial Governments.

2.3. Principles and criteria in regard to selection of allottees for settlement of land arising out of inter-Provincial schemes shall be determined by the Government of Sri Lanka, but the actual application of these principles, the selection of allottees and all other incidental matters shall be within the powers of the Provincial Government.

2.4. The Government of Sri Lanka shall establish a National Land Commission for formulating a national policy regarding land use in areas covered by inter-Provincial irrigation schemes. Such national policy will be based on technical aspects (and not on political or communal aspects). It will lay down general norms in regard to the use of land having regard to soil, climate, rainfall, soil erosion, forest cover, environmental factors, economic viability, etc. The Provincial Council shall, in exercise of its power derived above, give due regard to the national policy in regard to land use as formulated by the National Land Commission.

1. The notional entitlement of allotments of the "Tamil speaking people" in the Accelerated Mahaweli Programme has been estimated at 25,979 allotments consisting of Sri Lankan Tamils 12,787 allotments; Muslims 7,509 allotments; Indian Tamils 5,683 allotments.

2. The entitlement of allotments of the "Tamil speaking people" in Trincomalee and Batticaloa Districts, distributed according to the ethnic population of the Districts would be approximately as follows (subject to availability and further discussions in the event of changes in available land):

3. Such a distribution would result in Sri Lanka Tamils receiving about 4,700 allotments more than they are entitled to, and Muslims receiving about 500 additional allotments. Indian Tamils would receive about 5,000 allotments less. The distribution then has to be adjusted to give the Indian

Tamil community its due share, and this would result in their ethnic proportion in these two Districts being very significantly increased.

4. The balance allotments comprising approximately 2,308 allotments in Trincomalee district and approximately 3,103 allotments in the Batticaloa district will be allotted to the Sinhalese.

5. It is therefore necessary to specify that—

"In making settlements in Systems A, B and D in the Trincomalee and Batticaloa districts, the Government will do so in a way which will not affect the ethnic proportions of those districts." Subject to paragraph 3 above.

Enclosure to Annexure III

Mahaweli Project

The total number of new allotments estimated to be available in Systems A to H under the Accelerated Mahaweli Programme is as follows:

System A	14,300
System B	37,483
System C	22,000
System D	14,800
System E	Nil
System F	Nil
System G	2,900
System H	10,000 (notional)
	<hr/> 101,483

Therefore, the entitlements on the basis of national ethnic ratios of Sri Lankan Tamils, Muslims and Indian Tamils to the new allotments would be:

Sri Lankan Tamils	12,787
Muslims	7,509
Indian Tamils	5,683
	<hr/>
Total	25,979

This number of allotments will be made available accordingly in the Trincomalee and Batticaloa districts to the Tamil-speaking people. However, it is noted that up to date the following allotments have been alienated to Tamil-speaking families and these numbers have to be reduced from the above entitlements.

System	Tamil	Muslim	Total
A	47	822	869
B	14	91	106
C	821	568	1,389
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Total	882	1,481	2,363

Aide Memoire

1. Further to the Law and Order Papers of 4th and 10th May, 1986, additional Confidential Clarifications (dated 13th June, 1986) in response to the nine points raised by the Indian Delegation are appended.

2. It is proposed to discuss the question of the status and use of Tamil and English at the Political Parties' Conference. One of the proposals of the Government will be that Tamil and English should have the status these two languages have in the Constitution of India.

3. The Sri Lanka Government will be prepared to consider providing an institutional framework providing for Inter-Province coordination and consultation on matters of common interest and concern similar to that provided for in the Indian Constitution in relation to "Inter-State Councils" under Article 263. The Sri Lanka Government will also endeavour to persuade the major political parties, through the Political Parties' Conference to accept these two proposals, in paragraphs (2) and (3).

4. All these as well as other proposals should not be viewed in isolation, but as integral elements of an overall settlement provided that all other elements are accepted.

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Sept 25, 1986